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François Blanc
1806—1877

THE
WIZARD OF HOMBURG
AND
MONTE CARLO

BY
COUNT CORTI

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**THE WIZARD OF
HOMBURG AND MONTE CARLO**

THE WIZARD OF HOMBURG AND MONTE CARLO

CHAPTER I

AN ASTUTE SPECULATION

A Sensational Trial—The Blanc Brothers and the aerial telegraph—Bribery of officials—Early information about stock exchange fluctuations—How to speculate on a certainty—Defendants refer to Rothschild—A light sentence

ON the 11th March, 1837, great excitement prevailed in Bordeaux. A sensational trial had been fixed for that day. The prosperous twin brothers Louis and François Blanc, who had been engaged for some time in banking activities, were charged with having procured illegal advantages in their speculations by means of bribery and corruption. Everyone in the town was curious to hear details of the affair, for it was rumoured that the way in which the brothers had made their money was exceptionally astute.

The two men who thus formed the centre of interest came of purely French parentage and had risen from the humblest circumstances; they were the posthumous sons of a poor tax-collector, Claude Blanc and his widow, Marie Thérèse Janin, and were born on the 12th December, 1806, in Courthe-

zon, to the north of Avignon, in the south of France. A stocking-weaver and a cobbler, friends of their father, stood godfather to the twins. They were ridiculously alike in appearance, as well as in character and disposition. Their mother, in spite of her modest means, did all in her power to give the bright and ambitious boys a good education; but having given them as much money as she could afford, she was compelled to leave them to their own devices, in the hope that they would make their own way in the world. The brothers wandered from one French town to another; enterprising and adventurous, they were filled with the desire to better their lot. They engaged in a variety of different businesses at Avignon, Lyons and Paris; but it was those connected with finance and banking which attracted them most, and they sought employment preferably with large undertakings of that description.

They had also a decided turn for gambling, which induced them not only to risk small sums on the stock exchange, but to play cards, especially *écarté* and *baccarat*, in clubs and private houses. They were often lucky, and soon managed not only to preserve the small capital given them by their mother, but actually to increase it in a modest way. Eventually they arrived at Bordeaux, where they started business on their own account and opened a small bank, supported principally by speculation on the rise and fall of French Rentes.

AN ASTUTE SPECULATION

At that time, 1834, the State possessed the exclusive use of the so-called *télégraphe aérien*, a system of signalling by which a number of observers with telescopes were stationed at intervals to receive signals, which were then passed on to the next post. This apparatus, invented by the Chappe Brothers, had been in use between Paris and Bordeaux since 1823. It so happened that the Blancs knew a man employed in this optical telegraph line, who told them of its greater speed in the transmission of messages compared with former means; but when asked if it could be privately employed, he replied that its exclusive use was retained by the State. The Blancs immediately grasped the importance of the new invention, and thought of opening a line somewhere else. As they often travelled on business in Belgium, Luxemburg and the north of France, they planned one between Brussels and Antwerp. This project having come to nothing, they returned to Bordeaux. But they were still convinced of the importance of the new invention, and resolved to use it in the interest of their financial speculations.

They had carefully watched the means employed by their fellow-bankers to be the first to ascertain the movements of the most important securities, and so gamble with a certainty of gain. Special couriers and carrier-pigeons were used, and since France was at that time covered with windmills, a favourite method was that of passing on signals from one mill to another; if the window of a certain

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mill was open, that indicated a rise, and the signal would be taken up by the next one and passed on; but if the window remained shut, it indicated a fall, and thus the news wandered from mill to mill out of the capital into the provinces. But this method often failed, and only too frequently it happened that a miller forgot to open or shut a window. The results were false news and losses on the Stock Exchange. What an immense advantage it would be, thought the Blanc brothers, if this optical telegraph service could be used for the transmission of financial news. But since private persons might not use the State line, the Blancs hit on the idea of finding a telegraph-official in Paris, in addition to their acquaintance at Bordeaux, who, in return for a suitable reward, would merely introduce a single letter into a State telegram, thus informing them of the state of French Rentes so quickly that they could forestall all the other bankers in Bordeaux. They succeeded in winning over these officials, and one fine day in the year 1834 the Paris telegraphist, by request of the Blancs' agent, inserted an "H" in a State telegram to indicate a rise (*hausse*) in Rentes. In order to recognise the letter and secure themselves against discovery a sign indicating that it was an erratum was inserted after it. But when the telegram reached Bordeaux, the Blancs' accomplice in the telegraph-office could find, to his disappointment and theirs, no sign of the code letter. For it so happened that an official at Tours who was not

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in the Blancs' confidence had to check the telegrams and see that they were correct; and he had crossed out the "H" and the sign following it.

The telegraphist in Paris now refused to transmit any more such signs; so an official at Tours was won over, and the Blancs found an ingenious method of keeping their confederate at Tours informed of the daily fluctuations in Rentes by means of a small and inconspicuous parcel which reached Tours with the morning mail-coach. If, for instance, the three per cent. French Rentes showed a rise of at least 25 centimes, Gosmand, the Blancs' agent in Paris, sent a packet of gloves to the telegraph-official in Tours, Guibout by name. If, however, there was a corresponding fall, Gosmand sent stockings or ties. The address of these packets contained a letter or number which Guibout immediately inserted in a State telegram to Bordeaux, followed by the sign that it was an erratum. Thus a rapid news service was established, which worked excellently for nearly two years, enabling the Blancs to obtain an advantage over other and less well-informed speculators. Between 22nd August, 1834 and 25th August, 1836, a hundred and twenty-one packets were sent, which meant the same number of lucrative messages. In August, 1835, François Blanc still further improved the system by instructing his agents to send coloured gloves for a fall of 25 to 45 centimes and white gloves for one of 50 centimes or more, this being telegraphed on from

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Tours by means of the letters C (*couleur*) or B (*blanc*).

Then suddenly, in July, 1836, Blanc noticed that someone in Bordeaux was receiving news of the fluctuations in Rentes as quickly as himself, so that he no longer enjoyed the same monopoly or security. At first he contemplated a pigeon-post between Paris and Bordeaux, but having satisfied himself by confidential enquiry that nothing of the sort was feasible, he became suspicious of his confederates the telegraphists, especially Guibout, whom he suspected of trying to double his profit by transmitting the code signals to another banker in Bordeaux too. "I have learnt," wrote Louis Blanc to Guibout, "that someone in Bordeaux knows the price of Rentes as quickly as I do; if the person in question is provided with further telegrams, I shall not pay you more than 150 francs a month and 25 for the signal, instead of 350 francs. But if I am the only one, you will continue to receive the same terms." Guibout replied that there could not possibly be anyone in Tours carrying on the same business as he was; the Blancs must be mistaken, unless, indeed, the person in question received the news by some other means.

Be that as it may, in the course of two years' speculation on the basis of this certain information the Blancs' net profit was 100,000 francs, which served as the foundation of all their later undertakings.

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But at last the end came. The secret reached the ears of the authorities through one of the telegraph officials concerned in the affair, who confessed his fault on his deathbed and revealed the names of Guibout and the Blancs' representative who had bribed them; whereupon the Blanc brothers, their representative and Guibout were prosecuted, the first for corruption of government officials and the others for abuse of their official position.

In those days it was a rare thing for wealthy bankers to appear before a court of justice; so the court was crammed, and everyone waited tensely for the secrets of the great world of finance to be revealed.

The first to be examined was Guibout, the telegraph official, who declared that during the two years in question he had received only from six to seven thousand francs for his help. His offence was not a criminal one, he argued, for though the transmission of government messages was alone permissible, the insertion of code signals and erratum signs was not expressly forbidden.

The president of the court then turned to the Blanc brothers, whom he regarded as the chief criminals.

"Did not this early knowledge of the fluctuations in Rentes on the Paris Bourse," he asked, "give you an immense advantage over all other speculators?"

"That depends," answered Louis Blanc; "sometimes yes, sometimes no."

"Have you never thought of the trustful speculators whom you have robbed by means of information obtained through corruption and crime?"

"No, M. le président, no one was robbed. We fought our opponents with lawful weapons only. I never had any intention of committing a criminal act, and did not dream that legal proceedings could be taken against me. That is clear from the fact that I did not try to escape when I read of Guibout's arrest in the papers. All large speculators do the same thing in one way or another. Is there not a pigeon-post between London and Paris, which traverses the distance in four hours? Between Paris and Brussels, Amsterdam and Frankfort, and indeed between all the chief towns of Europe? Has not a telegraph line been started between Brussels and Antwerp? I myself, gentlemen, had contemplated a line of my own to compete with the one already in existence. Every speculator has his own more or less prompt news-service, which is more or less secret and sure. Special couriers, pigeons and telegraphs are all used: to give you but one example, has not M. de Rothschild, a great banker and speculator, an extraordinary number of couriers, pigeons, telegraphs and secret means of communication with governments, correspondents and agents throughout the world? And you know, gentlemen, that M. de Rothschild is generally esteemed, received at Court and very popular."

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"But you received your news secretly and by fraud."

"Yes, but the other speculators received it more or less secretly and they did not make their messages public any more than I allowed everybody to read mine from Paris."

Several bankers were now questioned about their business with the Blancs, some alleging that they had lost, others that they had won. The president could not understand how it happened that the Blanc brothers had suffered losses too, if they had such trustworthy information.

"We probably lost," rejoined François Blanc, "—and I feel quite sure of this—because we had to do with speculators even better informed than we were." Whereupon the counsel for the defence, M. Chaix d'Est Ange rose:

"In the year 1834, gentlemen," he said, "an idea occurred to the Blanc Brothers, which was subsequently put into effect: an idea which could not have occurred to me, or to you either, for ordinary people who do not frequent the Stock Exchange would be simply incapable of conceiving such a thing. Yet it cannot be gainsaid that it was a clever step for anyone wishing to try his luck in the infamous gambling-hell known as the Stock Exchange. You see, gentlemen of the jury, if one gambles on the Exchange one meets cunning people, and if one is not to be swindled one must be cunning oneself. Ah, gentlemen, at a moment

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when everything—hope, belief, religion—is slowly dying, let us at least preserve one hope, one belief, one single irrefragable, sacred and indestructible religion, that of the law. Let us not invent penalties, but content ourselves with those already contained in the code of laws. Above all, gentlemen of the jury, remember that you must acquit the accused if you have any doubt whether they are guilty or innocent.”

At its session of 14th March, 1837, the court declared the Blanc brothers guilty of having corrupted telegraph officials during the years 1834-1836, and Pierre Guibout guilty of having abused his official position; but the penalty was not enforced, and the three accused were only ordered to pay the relatively small costs of the action which they had brought upon themselves by their illicit practices. And so the Blanc brothers got off scot-free and, most important of all, still retained by far the greater part of the money they had made by these speculations, which was to form the starting-point of their fabulous career.

But in spite of their mild punishment—if punishment can be called—the Blanc brothers could hardly stay in Bordeaux after what had happened. They returned to Paris, and there once more devoted themselves to games of chance.

CHAPTER II

THE LANDGRAVE OF HESSE-HOMBURG

Gambling in Paris—Cheating at roulette—Gambling booths of the Palais-Royal closed by Louis-Philippe—The Blanc brothers in search of a new profession—They migrate to Germany—A miniature State: Hesse-Homburg—A Landgrave's financial embarrassments—Rothschild to the assistance—The July Revolution defeats this scheme—Modest beginnings in Homburg—The example of Baden-Baden—Gambling in the Rhineland Spas—The Blanc Brothers and their gambling club in Luxemburg—The Landgrave of Homburg makes their acquaintance—Contract for the foundation of a casino—Gambling the main object

IN Paris gambling had been the rage since the time of Henry IV; and under the Bourbon kings, owing to the bad example set by the court, it had gained ground considerably. High and low followed the fashion, nor was cheating unknown even in the highest circles. It had grown urgently necessary to discover some means of preventing any dishonest interference with chance, and of guaranteeing that play should be properly conducted. Early in the reign of Louis XVI Sartines, the Minister of Police, took drastic measures for regulating and licensing public gaming. He preferred the increasingly popular roulette to other systems; for the new apparatus had in his eyes the great advantage of excluding all arbitrary interference

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with the game; the ivory ball follows a course which cannot be foreseen, and is modified by more than one obstacle before it comes to rest in a numbered black or red compartment.

The great French philosopher and mathematician, Pascal, had made and studied a mechanism very similar to that of the roulette wheel, to which he had given that name. But Pascal's experiments had absolutely nothing to do with the gambling machine, and it was only after his death that the idea occurred to someone of using a small ball, projected at will on a revolving disc and made to jump up and down by means of obstacles, in order to ensure that the result of play should be as independent as possible of all deliberate interference. Yet if the inventor of the roulette wheel is not known, its ancestors are to be found in the arts and literature of the dim past. Fortuna, the goddess of chance and luck, was represented in classic antiquity as standing on a ball, or holding a wheel, symbolizing the changeableness of all existing things, and expressing the incalculable and transitory nature of human destiny.

In the Middle Ages, the representation of the so-called wheel of fortune appeared rather as a symbol of the eternal ups and downs and vicissitudes of fortune in life and at the gaming table. The goddess of chance turns the wheel, to the rim of which cling human forms, which rise to the top and then sink into the depths again as it turns. The lucky



A Lucky Wheel of the Middle Ages

The inscription reads:

Out of peace, riches ; out of riches, arrogance ; out of arrogance, war ; out of war, poverty ; out of poverty, humiliation ; out of humiliation, peace ; and so on.

THE LANDGRAVE

one on top of the wheel looks down on the others, but soon, as it revolves, he too is brought low. In later times the wheel of chance was used to symbolize the ages of man. We see it with numbers corresponding to a man's age, first ascending from 1 to 40, and then descending again, while Death crouches at the hub. There we already have all the essential elements of roulette; the wheel, its numbers and the ball of Fortuna, the goddess of chance.

From these elements was formed the mechanism for gambling, already illustrated in Diderot and d'Alembert's *Encyclopædia*, and first used in the French capital at the famous Palais-Royal, once the residence of Cardinal Richelieu, then bequeathed to the Kings of France, and at that time the property of the House of Orleans, under whom it had become a sort of business centre, filled with places of amusement. Most of those having gambling licenses gathered here, the chief games played being roulette and *trente-et-quarante*.

In the clubs open to the public in the Palais-Royal the rules that still control gambling at Monte Carlo to-day had gradually developed; play already took place under the supervision of inspectors and croupiers, who were in turn subject to the control of other officials.

The gaming-houses were always active, their owners grew rich, and the taxes which they paid to the State amounted to millions. This is why even

Napoleon, though generally opposed to gaming, reformed them and reduced their number to nine, instead of closing them.

These gaming-houses were still active when the twin brothers Blanc arrived in Paris after their famous trial in the spring of 1837. In addition to their activities on the Stock Exchange, they often played écarté and baccarat, and frequently visited a gaming-house in the Palais-Royal run by one of their acquaintances from Bordeaux, a certain Bénazet. They learned from him that King Louis Philippe, who had ascended the throne after the July revolution of 1830, had decided to follow the example of England, which in 1832 had abolished all public gaming. Even at the beginning of the king's reign it had been a thorn in his side that in the Palais-Royal, so closely connected with the House of Orleans, all kinds of human passion had opportunity for satisfaction. For this reason a law was drafted in the year 1832 closing all gaming-houses from the 1st January, 1838, onwards.

Only a few months now stood between the owners of the houses and the fatal New Year's Eve of 1837. It would be a heavy blow to them, for as the Blanc brothers learnt from Bénazet and others, a gaming-house where roulette and *trente-et-quarante* were played had been almost as sound a business as gambling in Rentes by means of the aerial telegraph. But now these enormous profits, and, what was more, the State's huge receipts from them

in taxation, were to disappear. Great care had always been taken to hide the real profits of the gaming-houses from the public; though on the other hand, if a player won heavily, it was cried aloud from the housetops.

On the last day on which gambling was allowed in Paris there was such a rush to the tables that the police were compelled to close the doors. The owners, the croupiers and all who had an opportunity of seeing the inner mechanism of play were perfectly well aware that, although the ivory ball was guided solely by chance, and it was therefore possible for the bank to lose, yet in the long run it always won. So it is understandable that the proprietors and their staffs, seeing themselves now forbidden by law to exploit such a profitable business anywhere in France, should look beyond the frontiers of their fatherland for new fields of activity. Nothing was nearer or more convenient than the neighbouring German spas on the Rhine, where roulette had already been played for some time past in Wiesbaden, and since 1808 in Baden-Baden, and games of chance were sanctioned by the authorities.

Here, as in many other places on the Continent, people gambled with passionate enthusiasm; and so long as the government did not interfere, the society of those days left the gambler in peace. Gambling was not considered scandalous, in fact rather the contrary was the case; for the Napoleonic wars, with their comings and goings of soldiers devoted to

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gambling, had spread the passion for games of chance to such an extent that they had become a part of everyday life. But the loser was allowed no right to the pity of his fellows; everyone was answerable for his own deeds and must take their consequences. On the other hand, winners were regarded like victors in a battle; incense was burned before them and they received the applause of the crowd. Saphir, in his usual mocking way, expressed it ironically enough when, in his *Fliegendes Album für ernste und heitere Deklamationen* (Album of Occasional Pieces for Serious or Lively Recitation.), he compared gaming to life.

“ Das ganze Leben bis zum Grab
Hat Kartenspielmanieren.
Das Schicksal hebt die Karten ab,
Der Zufall muss melieren.
Dem Glücklichen jed’ Spiel gerät
Wer Unglück hat, ist immer bête.”¹

Amongst the proprietors of gaming-houses at the Palais-Royal who left after the decree became law, Bénazet and Chabert went to Baden-Baden and Wiesbaden, whilst many officials departed for Pyrmont, Aix-la-Chapelle, Spa, etc. There the passion for gaming could be indulged in undisturbed by the State, and continued to exert its attraction over all. For in spite of the intellectual mediocrity of roulette,

¹ The whole of life is like a game of cards. Destiny takes them up and chance shuffles them. The lucky man cannot lose, the unlucky is always stupid.

which required practically no thought, players streamed to the German watering-places from all parts of France, increasing their prosperity and aiding in their expansion.

The two Blanc brothers decided to follow the example of their friend Bénazet and further their interests by opening a gaming club, which later, perhaps, they could develop into a casino. When the law abolishing gambling in the whole of France came into force on the 1st January, 1839, they tried to find a suitable place outside their own country. Besides, they wanted to disappear from France for a while, till the telegraph affair had blown over. Luxemburg seemed suited to their purpose, for this Grand Duchy was divided into three parts, one belonging to Prussia, a second to Holland and the third to Belgium, whilst the capital was a fortress of the German Confederation.

Such a politically hybrid place seemed to the Blancs favourably situated for a gambling establishment; they first organized a private club, so that, should the town not prove suitable, they would the more easily acquire a gambling concession in some watering-place on the Rhine.

The Commandant of the fortress and military governor was at that time the reigning Landgrave Ludwig of Hesse-Homburg. His hereditary domains formed one of the tiniest of the many small states into which the Germany of the Restoration was split up.

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With its 275 square kilometres, its capital, Homburg, which in the thirties of the nineteenth century numbered hardly three thousand inhabitants, and the Landgrave's miniature court, it was the kind of state which was later to be the butt of the comic papers. Yet if the smallness of the country offered ground for such pleasantries, the prestige which the Landgrave's dynasty enjoyed everywhere, but especially in Germany and Austria, was in another category. The Landgraves of Hesse-Homburg, who had formed a separate branch of the House of Hesse-Darmstadt since 1622 and afterwards become independent princes, had always been known as brave and fearless soldiers. Frederick V., the reigning prince during the Napoleonic era, had six sons, all of whom saw service with the Prussians and Austrians in the wars against Napoleon. When Napoleon was finally defeated, the Landgraves regained their independence, and even attained a small increase of territory. Since 8th July, 1816, the reigning prince had borne the title of Sovereign Landgrave of Hesse and was admitted to the German Confederation. So far, all was well; but economically affairs were less satisfactory.

The country had suffered severely during the Napoleonic era, the princes of the reigning house were always away and could not look after their own property or the material welfare of the population of their little country. The result was that both the princely house and the people found themselves

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in the greatest straits. Such was the state of affairs when the Landgrave Ludwig, who held the rank of General in the Prussian Army, was wounded at Leipzig in 1813, succeeded his childless brother as ruler of Hesse-Homburg. The Landgrave was separated from his wife, who had fallen in love with a cavalry lieutenant von Bismarck, belonging to a collateral branch of this family. As military governor of the fortress of Luxemburg, he seldom stayed in Homburg, yet he was very active in the interests of his little country, and saw with sorrow the unhappy material condition of the capital. Wounded men and prisoners had brought disease in their train, and the fields, neglected during the war, produced but poor harvests. Prices had increased greatly during the Napoleonic Wars and decreased very little in the years preceding the July Revolution.

In 1830 the little State of Hesse-Homburg had a national debt of about one and a half million gulden, and its insignificant capital was in a state approaching destitution, for the ordinary crafts and trades, and even agriculture, could offer only the poorest livelihood. Everywhere reigned poverty, and the little wooden houses of Homburg crowded round the castle as closely as possible, seeking protection and work from their lord; but the court itself was financially embarrassed, and could not help.

No spirit of enterprise could develop there, for no one possessed any considerable capital, but

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Homburg possessed a charming situation, which made it a favourite resort of those living in the neighbouring city of Frankfort. And so the idea arose of turning it into a spa, especially since the discovery of a mineral spring called the Ludwigsbrunnen, after the reigning Landgrave.

The people of Homburg saw with envy the expansion and growing success of Baden-Baden and the neighbouring spas of Wiesbaden and Ems, where, thanks to the long-established gaming-tables, the tourist traffic had largely increased and was bringing the population growing prosperity. What these places could do it was thought that Homburg might do also, for its springs were apparently in no way inferior to those of the above-mentioned towns. Accordingly the Landgrave and some of his citizens thought of erecting in the neighbourhood of the springs a bath-house and pump room with ornamental gardens, and of forming a company with a capital of 100,000 gulden for this purpose. In order to raise the money, they decided to approach the famous bank of Meyer Amschel, Baron Rothschild of Frankfort. The Landgrave was prepared to mortgage part of his land and family estates.

In addition to developing the springs, this project contemplated the grant of "rights" of the most extensive kind for gaming and billiards for a term of forty-one years; it was to come into effect on the 17th July, 1830.

But the financial negotiations with Rothschild

were still incomplete when, on the 26th July, the revolution broke out in Paris which swept Charles X and his house from the throne and placed Louis Philippe, the "Citizen King," and owner of the Palais-Royal, upon it. The immediate result of the revolution was considerable economic and political unrest throughout Europe. It was feared that the conservative powers would not recognise it readily, and might make war on France. Government stocks accordingly fell heavily, especially those of the two countries most affected—France and Austria. Now the international banking-house of Rothschild, besides maintaining establishments in London, Paris, Vienna and Naples, had particularly heavy holdings in the loans of those two countries.¹ They suffered immense losses, and in order to re-establish their seriously shaken position, they not only refused any kind of support to new undertakings but attempted to free themselves from already existing commitments. The project for a company to exploit Homburg as a spa was sacrificed to these considerations, and the negotiations, which were on the verge of success, were broken off.

But from this time on the scheme was never completely dropped. In 1834 doctors recommended the medicinal qualities of the spring named after the Landgravine Elizabeth, and the well-known

¹ See Egon Caesar, Count Corti's *Aufstieg und Blüte des Hauses Rothschild*, 2 vols., Leipzig, Insel-Verlag., 1927–28. English translation by Brian and Beatrix Lunn, 1928.

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chemist Justus von Liebig gave a very favourable report of the healing qualities of the water.

Propaganda was next started in favour of the spa, and in the year 1834 a kind of visitors' list, containing only 155 names, appeared for the first time. Yet straitened circumstances continued to prevail and the Landgrave's financial difficulties reached such a pitch that he was compelled to mortgage practically the whole of his estates, castles and houses to the Rothschilds, who had meanwhile recovered from their heavy losses. The whole property was valued at only 328,000 gulden.

The situation was desperate, and in the year 1836 efforts were again made to induce the Rothschilds of Frankfort to finance a company for developing Homburg as a spa. The Landgrave offered to give the site for the pump-room. The Rothschilds were to help in its erection by a loan of 200,000 gulden, receiving in exchange a lease of the pump-room and the revenue from the mineral springs. The Frankfort banker had already submitted plans for the building of the pump-room, when his brother in Paris dropped a hint that it was hardly the moment to be concerned in an enterprise involving gambling, for public opinion in France was decidedly opposed to it. The result was a complete change of face. James Rothschild, the Parisian representative of the firm, had succeeded in acquiring a unique position at the court of Louis Philippe and he wished to avoid anything that might be even

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remotely prejudicial to it. M. Rothschild therefore withdrew from the pump-room and casino scheme and nothing further came of the affair.

Yet the success of the casinos in the neighbouring watering-places gave the citizens of Homburg no peace. In the year 1837, four of them again petitioned the Landgrave, recommending that the old plan should be revived, and pointing out that everyone was now talking about the new invention of railways, which were bound to be introduced into the country and bring visitors to Homburg. The Landgrave Ludwig, still under the influence of the Rothschilds' refusal and the prohibition of gambling in France, answered that in view of the general feeling against games of hazard and the fact that no real case had been made out for them, the time was not ripe for granting a gambling concession, especially without first knowing who would be the concessionaires. Still, he ordered the officials of his government to examine carefully any offers which might be made, and lay them before him together with their reports. He was, nevertheless, fundamentally opposed to the plan, and was certainly under no illusions as to the profits to be obtained from the hoped-for stream of gold.

In the course of collecting information, however, he heard that in the last year before the prohibition of gambling the French exchequer had received more than four and a half million francs in taxes. He learnt still more from concessionaires and

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officials in the neighbouring spas on the Rhine, such as Bénazet, who had once conducted a gambling-house in the Palais-Royal, and was a partner in the Frascati Gambling Club in Paris. Bénazet, who was then in Baden-Baden, was using the large fortune which he had gained in Paris to make the town and casino as attractive as possible. He lived very splendidly in Baden-Baden, always kept open house and possessed mistresses, horses, a pack of hounds and a crowd of servants in smart liveries. He was really a carter's son and had started as a clerk in the commercial court of Bordeaux, but he understood the importance of advertisement. He summoned journalists and *feuilleton*-writers from Paris, and not only entertained them, but provided them daily with a handful of banknotes to try their luck at the casino, realizing that the bulk of this money returned to the bank; or even if it did not, the reports which they sent to their newspapers were the more enthusiastic, till all those in quest of gain or pleasure set out for Homburg from all quarters of the earth.

At last the Landgrave of Hesse-Homburg was induced by the success of the gambling resorts in the Rhineland to announce on 8th August, 1838, a kind of competition for the founding of a company to exploit the spa, in connection with which the right of promoting games of hazard was already conceded. Since, however, none of the applicants proved to be men of sufficient substance, the Landgrave decided that something must be done, and



Homburg in 1840
In the foreground the spring of mineral waters

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built a small pump-room, the Brunnensälchen, at a cost of 11,000 gulden.

This pump-room was certainly a beginning, but there seemed no prospect of anything further, and not much could be expected from this. All the same, eight hundred and twenty-nine foreigners visited Homburg in 1839. Yet the Landgrave Ludwig was not optimistic about its further development, the more so since, as governor of the fortress, he had to reside in Luxemburg. He happened to visit the casino recently opened there by the Blanc brothers, and made their acquaintance. He discussed with them the success of Wiesbaden and Ems, and did not fail to mention his projects for his own little country. The Blancs were interested, but cautious, for they knew little or nothing about Homburg, and wanted to make secret enquiries. What they learnt was not very encouraging. It was, they heard, an unimportant little place, visited in the summer by holiday-makers from Frankfort, and possessing little more than its two mineral springs. It had no hotels, gardens, means of communication, or amusements, but at most a pretty, though not specially picturesque situation close to the Taunus mountains. But what had daunted others roused the Blanc brothers' spirit of enterprise, and they began to show interest.

Unfortunately the Landgrave did not live to see the completion of his project. He died suddenly on the 19th January, 1839, as the result of a severe chill.

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As he was childless, he was succeeded by his third brother, the Landgrave Philipp, who carried his dead brother's plans into effect, and instructed his Privy Councillors to negotiate with the Blancs.

On the 14th July, 1840, Louis Blanc wrote from the Hôtel d'Angleterre to the Landgrave of Hesse-Homburg asking for an audience, so that he might submit a project for the building of a pump-room in Homburg, "where visitors would find all possible distractions." Three days later he was received by the Landgrave. He offered 100,000 gulden for the building of a pump-room, to be erected by the government in return for a lease of 25 years at 6,000 gulden a year and a concession for engaging in games of chance. He afterwards put his proposal in writing, ending with the words: "I should esteem myself happy, Monseigneur, if my proposals were agreeable to you. Your Highness can count on the punctilious fulfilment of all my engagements, and I shall, moreover, do several little things of which I make no mention, but which would none the less contribute towards making a visit to Homburg, already so highly favoured by nature and with such splendid waters, in the highest degree pleasurable."

The Landgrave was unwilling to build the pump-room himself, for the risk of exceeding the estimate appeared to him too great. But for the same reason Louis Blanc refused to be responsible for the building operations; he would only add 5,000 gulden for laying out an "English park." The Landgrave

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instructed two of his government officials to continue the negotiations, and on the 29th July, 1840, an agreement was signed, according to which the brothers were to build the pump-room, which should cost at least 100,000 gulden and be completed by 1842, when it should become the property of the Landgrave. It was to be leased to them until 1871, together with a concession for gambling, at a yearly rental of three thousand gulden for the first ten years, six for the second, and ten for the third. Play would be allowed during the whole of the season, "so long as there were still visitors," but no subject of the Landgrave's might take part in it. A deposit of 25,000 gulden was to be paid on the ratification of the agreement.

The government officials recommended the Landgrave to accept these conditions, "convinced as we are that the Blancs are seriously determined to make the affair a success, in their own interests as well as in that of the enterprise itself." The officials had received satisfactory assurances of their solvency, especially that of François Blanc. As to the rumours throwing doubt upon their moral character and attributing the acquisition of their fortune to the fraudulent use of the telegraph, these could only have been spread abroad by people interested in hindering the signing of the agreement; and even if they were true, such methods were employed by the majority of bankers. The officials added that the Blancs requested absolute secrecy for the

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present and an early conclusion to the negotiations, so that work could be begun and the foundations of the casino be laid, if possible, before the beginning of the winter.

They were particularly anxious that gaming-tables should be opened as soon as possible, and asked permission to do this before the completion of the casino, in the little pump-room already in existence near the springs, or in a room in an hotel. The Landgrave consented to this, and, the deposit having been paid, the contract was ratified on 15th August, 1840.

Yet the fortune of the Blancs was really not so very large. Their capital, not all of which was liquid, amounted at most to some 100,000 francs. Even after the signing of the contract, therefore, they were still very nervous about the future.

The completion of the agreement had, however, laid the foundations of an enterprise which was to expand beyond all expectation. Before this stage was reached, however, much hard work and rare gifts of organization would be needed. But in spite of the small financial resources at their disposal, the twin brothers went courageously to work.

CHAPTER III

EARLY DAYS OF THE HOMBURG CASINO

Clever publicity—Foundation-stone of the casino laid—Play begins—How competition is defeated—"Serious" players—Character of the Blanc Brothers—Immediate financial success—Rothschild dispensed with—Severity of Varnhagen von Ense—The Elector of Hesse gambles away his orangery—Russian gamblers—The famous Countess Kisselev—Professional gamblers and systems—Disagreements with the Government—Newspaper attacks

THE Blanc brothers now set to work with the utmost energy to carry out their plans at Homburg. They were especially interested in making the casino as luxurious and comfortable as possible. It was to have a first-class restaurant, a reading-room with newspapers from all parts of the world, a theatre and a concert-room, so as to attract people to the casino, and so into the gambling-rooms. But also in a wider sense the stay in Homburg must be pleasurable and so attract distinguished, but above all, rich foreigners.

Advertisement was therefore essential. A French doctor named Gardey, a friend of the Blancs, made it his task to publish abroad the healing properties of the waters. He had them analysed by famous professors at the Sorbonne, and himself wrote a brochure vaunting the incomparable virtues of

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the Homburg springs, virtues which, though undeniable, perhaps hardly justified these glowing accounts. An orchestra was engaged, saddle-horses and donkeys were provided, and concerts and fêtes arranged, besides facilities for hunting and every kind of sport.

On the 25th February, 1841, Louis Blanc submitted the plan of the casino to the Landgrave, who approved it with alacrity, and was only too eager for it to be put into execution as soon as possible. Work was begun at once, and by the 23rd of May, 1841 it was possible to organize a magnificent fête to celebrate the laying of the foundation-stone. A long procession started from the Gasthof zur Rose, headed by the Homburg Choral Society, after which came the government commissioners, the municipal council, the Blanc brothers, the building contractors and a crowd of sightseers, who had streamed in not only from the surrounding villages but even from as far away as Frankfort. Everyone was there but the Landgrave and his family, for though he sent representatives, he desired to remain in the background, so as not to emphasize his association with men who, as he knew, had the profits from the gaming-tables mainly in view, and were, moreover, risking their whole fortune; for he was by no means confident that a casino in his obscure little capital would be a success.

When the procession arrived, a song written for the occasion was sung, after which a parchment

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document, a bottle of water from the Elisabethenquelle, a bottle of wine and some Homburg coins were placed in a hollow and cemented up, the Blancs and their guests striking the stone with a silver hammer and trowel. This ceremony was followed by a banquet of sixty covers for the state and municipal authorities, given at the expense of the Blancs, and a fête in the pump-room for the townspeople, including a concert, a ball and the distribution of valuable presents. But, most momentous of all, that very day the little ivory ball was launched on its course for the first time in the small pump-room, to be the arbiter of gain or loss, of good luck or of bad. The receipts from the gambling-tables soon proved considerable, and the number of visitors increased yearly, rising by 1842 to seventeen hundred and thirty, most of whom were attracted to Homburg as a result of the suppression of roulette in France.

In order to attract gamblers from Baden-Baden, Wiesbaden and Ems, the Blancs had conceded certain advantages compared with the rules which held good in these towns. Roulette was played with one zero instead of two. As one knows, if the ball falls into zero, all the stakes except those on the even-money chances and zero itself are taken by the bank; so that if one zero is abolished, this is a considerable advantage to the player. A similar advantage was conceded in *trente-et-quarante*, in which the row of cards nearest to thirty-one and farthest from forty

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wins. When both rows of cards amount to thirty-one, however, the so-called *refait*, all the stakes are taken by the bank. But the Blancs introduced the *demi-refait*, that is to say, the bank won only when the last card in the row was black.

The object of these concessions was to attract "serious players." The Blancs were aware that their own prospects of gain were correspondingly reduced, but did not anticipate that the bank's chances of winning would be seriously affected. During the first few weeks they watched events anxiously, lest they might prove to have been out in their calculations. Superstitious, and unable to live without the cards, they spent the long evenings in their modest home opposite the casino, playing endless games of patience, the results of which were a sort of oracle with regard to their success or failure.

They might well be anxious, for though they were making money, they were spending even more. The casino was approaching completion, and heavy bills would soon fall due. New houses, pensions and hotels had to be built to accommodate the growing number of visitors. The government was planning new streets, promenades and gardens, and appealed to them for their co-operation. It hardly seemed likely that their ready money would suffice to meet their obligations. A lucky gambler might suddenly endanger the bank by winning a large sum, upon which the Blancs' competitors would not fail to

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proclaim abroad that the bank had been broken; and this might easily precipitate a disaster. Audacious though the Blancs were, there was a streak of timorousness in their character, so it seemed to them more prudent to lighten their own risks by inducing someone to advance them some more money. With the Landgrave's sanction, they accordingly approached the House of Rothschild in Frankfort with a request for a loan of 150,000 gulden,¹ but the Rothschilds, with their habitual caution, insisted upon a guarantee from the Government of Hesse-Homburg. The Landgrave consulted his experts, but they opposed any guarantee.

One of them, however, the Privy Councillor Henrich, who had from the first supported the Blancs, accepted their offer to show their books, and was so much amazed at the profits they had already made that he advised the government to dispense with the Rothschilds' assistance altogether and grant the loan. Why, he argued, present these over-cautious Frankfort Jews with such easy profits, and keep all the responsibility themselves? Since an element of risk was unavoidable, why not at least secure for themselves any profits there might be? The Landgrave was easily convinced, and the result was a letter to Meyer Amschel von Rothschild, politely intimating that the Blanc brothers had succeeded in obtaining the necessary capital elsewhere, on the strength of their recent profits. The

¹ The gulden, or florin, was at that time equivalent to about one shilling and eightpence.

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government loan to the brothers Blanc amounted to 100,000 gulden, the Blancs binding themselves in return to increase by 4,000 gulden the sum paid annually for the lease of the concession.

The opening of the casino took place with great pomp on the 16th and 17thth August, 1843. The large gambling saloon, the walls of which were covered with mouse-grey silk, and the chairs with morocco, glittered with gold. A concert was given in the Prinzensaal, a dinner for two hundred and eighteen guests in the large dining-room, and a ball to which everybody of distinction was invited. This time the Landgrave Philipp could not absent himself, but appeared at the concert in the magnificent box constructed for him. The Blancs tactfully abstained from any acts which might have been offensive to the Landgrave. They declined the freedom of the city which had been offered them by the enthusiastic municipality, and announced that the proceeds of the festivities would be handed over to charities.

As foreign visitors began to throng these sumptuous premises, play soon ran high. The Blancs had carefully instructed the staff to keep a close watch over the players, while at the same time treating them with the greatest possible courtesy. According to the *Règlements du Service des Salles de Jeu*, they must manage unobtrusively to remove, under some pretext or other, any badly dressed people, young workmen or peasants, even if not resident in Homburg. If, on the other hand, "an important player



The First Homburg Gaming Room

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or person of consequence approached the tables, the officials must hasten to provide him with a seat; and should this not be possible, they must try to find room for him, while showing every courtesy to those whom they might request to move." Dostoieffsky has given a very exact description of the scene in his book, "The Gambler."

"Around the tables, and at the farther end of the room, where the *trente-et-quarante* table was set out, there may have been gathered from 150 to 200 gamblers, ranged in several rows. Those who had succeeded in pushing their way to the tables were standing with their feet firmly planted, in order to avoid having to give up their places until they should have finished their game (since merely to stand looking on—thus occupying a gambler's place for nothing—was not permitted). True, chairs were provided around the tables, but few players made use of them—more especially if there was a large attendance of the general public; since to stand allowed of a closer approach, and therefore of greater facilities for calculation and staking. Behind the foremost row were herded a second and a third row of people awaiting their turn; but sometimes their impatience led these to stretch a hand through the first row, in order to deposit their stakes. Even third-row individuals would dart forward to stake; whence seldom did more than five or ten minutes pass without a scene over disputed money arising at one or another end of the table. On the other

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hand, the police of the casino were an able body of men; and though to escape the crush was an impossibility, however much one might wish it, the eight croupiers apportioned to each table kept an eye upon the stakes, performed the necessary reckoning and decided disputes as they arose."

The highest stake at *trente-et-quarante* was 4,000 gulden, and the lowest two gulden; at roulette 4,000 on an even chance, and 120 gulden on a single number was the maximum. The opening of the new casino caused an immense influx of people. All the landed gentry in the neighbourhood made their appearance, together with the princes from the little states near by, bankers from Frankfort with their families, and former English and French habitués of the Palais-Royal. The watering-places on the Rhine soon felt the effect of this competition. It was said that the Elector William II of Hesse, who had been living in retirement at Hanau since 1831, had come to Homburg and was frequenting the tables. The author Karl August Varnhagen von Ense, who was in Homburg at the time, criticised with acrimony the society to be found there. The casino, he said, might be pleasant enough and decorated with taste and splendour; the terrace on the garden front, too, was charming, and he was amazed to find that the reading-room, dances, etc., which elsewhere were extras, were free here; but the "accursed play" attracted all the "rogues and sharpers" of the district. He went so far as to say

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that he had never seen respectable people at the tables, but only hangdog faces. He represented the Landgrave as a weak, ignorant person whom nobody respected, though he was obsequiously flattered by those desirous of being received at his court. Finally, Varnhagen described Homburg as a "nest of vagabonds, adventurers, cut-purses and disreputable women."

Varnhagen was particularly scandalised to encounter reigning prices in the gaming rooms. "Saw the Elector of Hesse at work in the rooms," he wrote in his diary; "he played all day, stooping over the table, watching the cards and pushing his gold backwards and forwards; a revolting sight, this German prince scornfully squandering in the company of gamblers the blood of his subjects with his gold for a second time." Varnhagen was referring to the fact that in pre-Napoleonic days the princes of what was afterwards to be the Electorate of Hesse sold their subjects to foreign powers as soldiers in return for hard cash, and especially to England, which used them, for instance, in the war against the rebellious American colonies. And now these ill-gotten gains were being frivolously squandered at the tables. Varnhagen even alleges that the Prince had his ears boxed by someone who did not recognize him and whose place he had taken.

The Elector of Hesse lost huge sums, after which he began to borrow, the brothers Blanc lending him a thousand napoleons in October, 1843. He lost the

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whole sum, and, after paying back 3,450 gulden with the greatest difficulty, offered the Blancs, in lieu of the remaining 6,000 gulden, forty magnificent orange-trees from his orangery, which were at that time a great rarity. They accepted, and henceforward the entrance to the casino was flanked by two rows of orange-trees during the summer. When William II died in 1847, his successor, Frederick William I, demanded the return of the trees, on the ground that they were covered by an entail dating from 1568 and had therefore been "illegally" abstracted from the property by his father. But the Blancs refused this demand, maintaining that they could not be held responsible for the acts of a prince who had broken the laws of his own house.

Among the rich foreigners whom the management had succeeded in attracting to Homburg, the most numerous were the Russians. The Russian aristocracy at that time was immensely rich, luxurious and pleasure-loving, and, as was only natural, the mania for gambling found easy victims among them, the women being especially addicted to it. One of these caused the greatest sensation in Homburg by her insane extravagance and tremendous losses. This was the Countess Sophie Kisselev, wife of the Russian general Count Paul Dimitrievich Kisselev, who was afterwards Russian ambassador in Paris, and daughter of the Countess Sophie Potocka, renowned for her classic beauty and her many



Comtesse Thérèse aus St. Petersburg:

Countess Kisselew

adventures. Play had become such a mania with this lady that her husband, to avoid utter ruin, obtained a separation from her. Ill and bowed down by age, she arrived in Homburg and tottered into the gaming-rooms on a servant's arm, painfully collapsing into a chair especially arranged for her with cushions. But the moment she heard the rattle of the fateful ball, she suddenly became rejuvenated, followed the course of the little ivory ball with glowing eyes and bated breath, and staked sums which often amounted to hundreds of thousands. Before her lay a pile of banknotes, gold and silver coins, and a gold snuff box inlaid with diamonds to which she had recourse at especially exciting moments. Dostoieffsky, who for many years was himself possessed by a similar passion, took her as his model for the character of the Grandmother in "The Gambler" whose relations are all waiting for her to die and speculating as to what she will leave them, when suddenly, instead of dying, she appears at "Roulettenburg" and begins gambling wildly, till they tremble for their money.

"My grandmother was already expected at the casino, and was promptly shown to her old place beside the croupier. I have a feeling that, though croupiers seem such ordinary humdrum officials, hardly caring whether the bank wins or loses, they are really anything but indifferent to the bank's losses; but have special instructions to attract players and watch over the interests of

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the management; and that when the bank is particularly lucky, they receive a bonus.

"And now happened what our relations had foretold; my grandmother went straight for zero, and time after time ordered me to stake twelve ten-gulden pieces on it. Once, twice, thrice I did so, yet it never turned up.

"'Stake again,' said the old lady, nudging me impatiently; and I obeyed.

"'How many times have we lost?' she asked at last, positively grinding her teeth in her excitement.

"'Twelve times, grandmother. We have lost 144 ten-gulden pieces,' I replied. 'I tell you, we may go on like this till nightfall.'

"'Silence!' she interrupted. 'Go on staking on zero and at the same time put a thousand gulden upon red. Here is a banknote.'

"The red turned up, but zero missed again and we only got a thousand gulden back.

"'You see, you see,' whispered the old lady. 'We have retrieved nearly all of it. Try zero again a dozen times more, and then we will stop.'

"By the fifth time, however, she had had enough.

"'Devil take that zero!' she exclaimed. 'Here! Put four thousand gulden on the red.'

"'But Grandmother, that is a huge sum,' I remonstrated. 'Suppose the red should not turn up?'

"But she almost struck me in her excitement. (I may say that her glances were almost as violent as

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blows.) There was nothing for it; I had to put the whole four thousand gulden on the red.

"The wheel revolved, while Grandmother sat bolt upright with a proud, quiet expression, as though she had not the least doubt of winning.

"Zero!" announced the croupier.

"At first the old lady failed to understand the situation; but when she saw the croupier raking in her four thousand gulden, together with anything else that happened to be lying on the table, and realized that zero, which had been so long in turning up, and on which we had lost nearly two hundred ten-gulden pieces, had at last turned up, as though on purpose, at the very moment when she had reviled and abandoned it, she moaned aloud and beat her hands together noisily, till some people near by burst out laughing.

"To think that that wretched zero should have turned up now!' she sobbed. 'The vile, miserable thing! And it is all your fault,' she added, rounding upon me in a frenzy. 'It was you who advised me to give it up.'

"But Grandmother, what I said was perfectly reasonable. How can I answer for every vicissitude of the game?"

"You and your vicissitudes!' she muttered angrily. 'Leave me! Go!'

"Good-bye then, Grandmother!' And I turned to depart.

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“‘Alexis Ivanovich! Alexis Ivanovich! Stop!’ she put in hastily; ‘where are you going? What is the matter with you? Idiot! No, no, stay here. It is I who am a fool. Tell me what I must do now?’”

“‘I cannot take it upon myself to advise you, Grandmother, for you will only blame me if I do. Play as you please. Say exactly what you want staked, and I will stake it.’”

“‘Very well. Put another four thousand gulden on the red. Here is my pocket-book. Take it! (And she drew one from her pocket.) Be quick! There are twenty thousand roubles in notes in it.’”

“‘Grandmother!’ I stammered, ‘what a huge sum to stake.’”

“‘Never mind. I cannot rest until I have won back my losses. I mean to win back what I have lost, or die in the attempt. Stake!’”

“‘I staked and we lost.

“‘Again, again—eight thousand at once.’”

“‘Impossible, Grandmother. The largest stake allowed is four thousand gulden.’”

“‘Well then, stake four thousand.’”

“‘This time we won, and the old lady recovered her spirits a little.

“‘You see, you see!’ she exclaimed, jogging me with her elbow. ‘Stake another four thousand.’”

“‘I did so, and we lost. And the same happened again and yet again.

“‘Grandmother, your twelve thousand gulden are all gone,’ I reported at last.

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“‘I see they are,’ she replied, in a sort of cold fury. ‘I see, I see,’ she muttered again, gazing fixedly before her, like one lost in thought. ‘Ah, well, even if I die for it—stake another four thousand.’”

“‘But we have no money left, Grandmamma. All I can see in the pocket-book are a few five per cent bonds and some other papers.’”

“‘And in the purse?’”

“‘A mere trifle.’”

“‘But there is a money-changer’s office here, is there not? They told me I should be able to turn all our securities into cash.’”

“‘Oh, you can change anything you like. But you will lose enormously on the exchange. It is enough to frighten a Jew.’”

“‘Rubbish! I shall win it all back. Take me away! Call those louts of servants.’”

The Countess Kisselev played almost every day from the moment the casino opened until late in the evening. Then she was carried home and went on playing with her acquaintances in her own apartment until the small hours. Yet on the next day she was punctually in her place. It was jestingly said of her that she only played once a day, and that was from eleven o’clock in the morning until eleven o’clock at night.

She was one of the few to whom the management lent money, for they knew that somehow or other she would manage to pay it back. In 1834 she had built villas for herself and several of her

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relations, and there is still a street called after her in Homburg to-day. The old lady was so superstitious that she was always surrounded by hypnotists, spiritualists and inventors of systems who persuaded her that they could calculate in advance how the ivory ball would fall. These people were known as "professors," and they abused the old Countess's credulity till their failures became too gross and she drove them away in disgrace, only to be taken in by others again before long. The Russian colony of which she was the centre continued to increase and the visitors' list contained the names of grand-dukes and members of the greatest families in Russia—the Galitzins, the Stolypins, the Obolenskis, and many more besides.

The Blanc brothers watched these developments with satisfaction. The more numerous the visits of rich and illustrious foreigners, the greater their receipts from the tables; and their confidence in themselves increased accordingly. The Government was surprised, and perhaps rather annoyed at having granted the concession on such easy terms, when on 16th February, 1846, the Blancs declared they had already placed to its credit at Rothschild's Bank in Frankfort the whole of the 100,000 gulden advanced them by the Government less than three years before, which they were only bound to pay back in half-yearly instalments of 5,000 gulden, starting on February 1st, 1846.

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The Landgrave still seemed in the best of health, when on the 15th December, 1846, he died suddenly after a short illness. Being childless, he was succeeded by Prince Gustav, the fifth brother.

The Blancs took advantage of this change of government to realise a long cherished wish. They were anxious to get rid of some of their heavy liabilities by forming a company. This solution offered considerable advantages: by distributing a certain number of shares among friends and persons devoted to their interests, they would be able, especially in dealing with the Government, to find convincing reasons for their demands or refusals by referring to their shareholders' wishes and the necessity for considering their feelings. Moreover, they were already contemplating a profitable speculation: the success of their enterprise would no doubt lead to a rise in the value of the shares; nothing would then be easier than for them to sell a block of these, thus realizing a nice little profit, while still preserving the controlling interest in the concern.

But what was the reality behind this official façade? The two Blanc brothers owned the greater part of the 3,000 shares; in order to keep up appearances, however, they divided 71 more between the two directors, Wellens and Trittler, and a few confidential friends, such as Dr. Gardey. The statutes provided that the accounts should be audited by persons chosen among the shareholders.

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Those chosen to perform this delicate function were naturally persons devoted to the interests of the Blancs, and approved everything the directors wanted. To the honour of the Blanc brothers it must, however, be admitted that the company's accounts were always kept in the most exemplary fashion and were above all suspicion.

Homburg continued to flourish. In 1847 it was visited by five thousand one hundred and eighty-seven persons, without reckoning those merely passing through. Hotels, villas and bath-houses sprang up like mushrooms; there were numbers of visitors, English, Russian and French, who stayed in Homburg all the year round, for the gambling-rooms were open even in winter, which was not the case in other watering-places. Trade and industry developed rapidly, nor were the inhabitants of the little town backward in profiting by the prosperity for which they had waited so long and eagerly.

The profits for the half year ending March 1, 1848, were 273,514 gulden, that is, almost twice those shown by the balance sheet for 1842-3. Thus, from the Landgrave down to the least of his subjects, everybody in this little principality, which had been so wretched not long since, could live in perfect indifference to the rest of the world, with their eyes fixed upon the casino, the success of which was producing such a magical revival throughout these territories.

CHAPTER IV

BLANC'S VICTORY OVER THE GERMAN NATIONAL ASSEMBLY

The February Revolution—The National Assembly in Frankfort—Unanimity on minor questions only—Motion for abolition of gaming establishments—Panic in Homburg—The Landgrave and the Blancs defend themselves—Struggle between the Homburg Government and the National Assembly—Anti-gambling deputies play at the tables—An armed force sent to Homburg—The officers play at the casino—Waning prestige of the National Assembly—Play continues in defiance of it—Dissolution of the National Assembly—Public gambling resumed

MEANWHILE threatening clouds were gathering on the European political horizon: discontent with internal conditions and revolutionary sentiment were causing grave unrest in every country. Yet the cosmopolitan throng in Homburg lived for the pleasure of the moment. The Diet, which was sitting in the neighbouring town of Frankfort, caused some passing anxiety by its debates on gambling. There was some danger that, as had happened in France, the casino might be closed down, abruptly checking the splendid development of Homburg and destroying its citizens' dreams of prosperity.

Once again France took the lead: the revolution of February, 1848, marked the beginning of the great liberal movement which swept over Europe

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in that year. The unworkable system of the German Confederation was one of its first victims, and by March most of the more important German states were affected. Insistent demands were heard for freedom of the press, trial by jury, a national militia, and, above all, a German parliament, instead of the Diet at Frankfort, which had long since become an object of derision. It had now to give place to an elected assembly of representatives of the German nation, which met for the first time at Frankfort on 18th May, 1848, and consisted of five hundred and sixty-eight deputies, mostly intellectuals.

It elected a "Central Government" with the Archduke John of Austria as "Imperial Vicar", though in point of fact this was neither central—for Frankfort was situated so far to the south-west of Germany that the influence of the National Assembly was confined mainly to the west and south-west of the country—nor an effective government, for, with the exception of a few Austrian troops in Frankfort and Mainz, it had no power to enforce its decisions. It therefore proved impotent, especially where the large States of the German Confederation were concerned. Like the League of Nations in our day, the National Assembly of 1848 could only decide questions of secondary importance, and even then could not reckon upon its decisions being recognized or respected.

Among the questions upon which it should, however, have been possible to reach an agreement in

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such an assembly was that of gaming establishments, the suppression of which had been debated in the Diet as early as 1844. The fact that these were mostly managed by Frenchmen was hardly likely to make them more popular. At the sixth session of the new National Assembly the deputies Hildebrand and Ziegert proposed a motion for the immediate abolition of gaming establishments throughout the whole of German territory.

This threat of hostile legislation helped to darken the last months of the Landgrave Gustav's life. At the beginning of the year he had already lost his only son, the last remaining descendant of his line, at the age of nineteen, as the result of an attack of pneumonia. The Landgrave's despair was so intense that his own health was affected, and he followed his son to the grave on the 8th September, 1848. He was succeeded by the sixth brother, Ferdinand, who was at that time sixty-six years old, and had no children. The new Landgrave, who was decidedly eccentric, refused to occupy the royal castle on his accession, preferring to live in one room in a wing of the castle. He carefully avoided all contact with those connected with the casino, and never entered the gambling-rooms; yet he quite realized what these meant to his people, and since he had a keen sense of his sovereign rights, he surmounted his antipathy far enough to defend the gaming-tables against the attacks of the National Assembly.

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On the 13th October this burning question was again raised in the National Assembly, and the speeches of the deputies left little doubt as to the issue. It was alleged that "the whole German people was calling out for the abolition of gambling." To controvert this assertion the Landgrave's Government promptly forwarded a memorial to Frankfort. "Even the most ardent opponents of games of chance," it ran, "cannot seriously maintain that the well-being of Germany is in any way affected by their existence there, or that their suppression will constitute such an advance as to compensate for the heavy loss to many private persons, the shock to the prosperity of whole towns and districts, the financial embarrassment of the governments concerned, and the general discontent that will ensue."

The Blanc brothers now consulted two famous Parisian barristers, Odilon Barrot and Adolphe Crémieux, with a view to ascertaining whether the National Assembly could legally revoke a concession granted by a sovereign prince without previously taking the matter into court or paying any compensation. The opinion given by the two lawyers was naturally in the negative.

Further, at the Blancs' request, the French ambassador at Frankfort, Tallenay, visited Schmerling, the Minister for Foreign Affairs, and made written representations with regard to the rights of the two brothers, who were his nationals.

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But all to no purpose. On the 8th of January, 1849, amid scenes of virtuous enthusiasm, it was resolved to proceed to legislation for the purpose of closing all gambling establishments throughout the whole of Germany from the 1st of May, 1849 onwards, and revoking all existing concessions. The national representatives were overjoyed at finding themselves unanimous for once. Yet spiteful tongues alleged that several of the deputies were to be seen the same evening at the tables in Homburg.

This resolution was referred to the Central Government for execution. The casinos of Aix-la-Chapelle, Kissingen, Norderney, Baden-Baden, Ems and Wiesbaden were to share the fate of that at Homburg. The reaction was, however, strongest in Homburg. On the 10th January, that is, only two days later, the municipality and citizens presented a petition to the Landgrave, signed by 847 persons, begging him to refuse his ratification of the National Assembly's decision, on the ground that the latter had no right to interfere in the internal affairs of the State. On the 19th January the Landgrave's Government notified the Ministry of the Interior in Frankfort of its opposition. It called attention to the fact that such a law involved an act of expropriation and ought to provide the fullest compensation for the interests affected. The Government ironically inquired if the executive of the National Assembly was in a position to pay

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such large sums; and intimated that if it were not, they could not recognize the validity of the law.

The answer was not long delayed. On 20th January, 1847, the Archduke John, as Imperial Vicar, promulgated the law. Five days later the Homburg Government received a letter from the Minister of Justice, Robert von Mohl, in which it was curtly explained that the new law had abolished an institution which the legislature considered harmful to the community and inconsistent with the honour of Germany; and for this reason those concerned would receive no compensation. It might be regretted that the inhabitants of several watering places would suffer, but their losses must not be exaggerated, and, after all, the reorganisation of Germany was worth some sacrifice.

The Landgrave's reply was clear and to the point. He challenged the assertion that any authority whatsoever had the right to annul well established private rights acquired in good faith not only by the concessionaires but also by the shareholders, and to do so on the pretext of putting an end to an infamous abuse. It recalled that, on the abolition of slavery, the governments concerned had fully compensated the slave-owners. Moreover, he pointed out that he had not renounced any of his sovereign rights, nor had they in any way been limited by any measure having the force of law: no new constitution had been unanimously adopted by all the States; and for this reason no

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such wide extension of the powers of the Central Government could be recognized. For all these reasons the Landgrave's Government declared that it could attach no importance to the law of the 20th beyond that of a pious resolution. This communication annoyed the Ministers of the National Assembly so much that three days later, on the 8th February, von Mohl sent it back to the Landgrave's Government with the remark that neither in form nor content was it such as to merit examination by the government of His Imperial Highness the Imperial Vicar.

But the matter was not so easily settled. On the 7th February, the French ambassador again wrote to the President of the Council of Ministers, Baron von Gagern, requesting him not to forget the respect due to a principle admitted in the legislation of all civilized peoples, by which no man can be deprived of lawfully acquired rights without suitable compensation. Baden-Baden, for instance, claimed 16 million gulden; Wiesbaden 4,200,000; Dr. Bansa was asking only 2 millions for Homburg, but François Blanc estimated his losses and the compensation due to him at 4 million gulden. The Minister of Justice, von Mohl, sharply opposed these claims. "If the Empire closed disorderly houses and the owners tried to claim compensation," he demanded, "might I ask what reply would be given them? Can the present case be regarded as in any way better?" At its session of 13th April,

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1849, the National Assembly simply shelved the demands for compensation and, passing on to the next piece of business, referred the claimants to the Imperial Courts, which were "contemplated, but not yet in existence."

The Landgrave was furious at the way in which he and his Government had been treated. He decided to ignore the law suppressing casinos and allow play to go on as usual, even after the 1st May. When this date arrived and no notification had yet been received from the Landgrave's Government to the effect that the casino had been closed, von Mohl sent an ultimatum to the Landgrave's Privy Council, calling upon it to report within twenty-four hours on the execution of the law passed by the National Assembly. The prestige of the Assembly had already been shaken by the non-recognition of the new constitution by Prussia and the Central German kingdoms; so it was all the more sensitive to any disregard of its decrees by the smaller States. It would not be difficult to deal sharply with this tiny State, which had no armed force and was situated only a few hours' march from Frankfort. A detachment of the Austrian troops at the disposal of the Imperial Vicar in Frankfort and Mainz would suffice to crush the obstinacy of this defenceless little land. Hence the imperious tone of the National Assembly, which had at last found an opportunity of showing the world that it was perfectly well able to enforce its authority.

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The Landgrave's Government stuck to its guns, declared that the National Assembly was exceeding its powers, and protested in advance against the use of force. Whereupon Mohl granted a last respite, allowing the Government of Hesse-Homburg till May the 4th to notify him of the closing of the casino. But he waited in vain. On the 7th May at ten o'clock in the morning a detachment of 700 infantry and 67 cavalry set out from Mainz for Homburg, and was met by a representative of the Government, who handed the Imperial Commissioner a solemn protest written by the Landgrave's own hand.

They continued on their way and entered Homburg during the day-time. That evening play went on quietly at the casino as usual, in spite of the presence of a few officers, who, it was afterwards alleged, even tried their luck at the tables. They declined, however, the invitation to appear at a ball given in their honour the same evening by the management. On the following day, the 8th May, the Imperial Commissioner attempted to close the rooms by force, but was thwarted by the refusal of the officer commanding the troops, on the ground that he had received no such orders. So on the 8th May play continued quietly as usual until 11 o'clock.

On the following day, at the session of the National Assembly in Frankfort, a deputy asked why, in spite of the arrival of the troops in Hom-

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burg, the gaming rooms had remained open. Von Mohl answered that, immediately on receipt of this information urgent instructions had been sent to the Imperial Commissioner in Homburg ordering him to take the necessary measures with the aid of the troops at his disposal. A later message had arrived during the night, announcing that the Landgrave's Government had submitted, and declared that it would close the gaming-rooms at nine o'clock that very morning.

On the evening of the 8th May the Landgrave had indeed summoned his Privy Council, which had perforce realized that resistance was impossible, and that it would have to submit, if only in order to obtain the withdrawal of the troops. It accordingly sent a letter to the directors of the casino, saying that it would never of its own free will have taken measures whose legality it questioned, but that, in order to prevent serious trouble, it was forced to order the temporary suspension of gambling.

The Blanc brothers, with one or two of the shareholders, were waiting for the Imperial Commissioner when he appeared at the Casino, and once more protested that they were only yielding to force, at the same time handing him a solemn protest expressly reserving their right to claim compensation. Moreover, they were absolutely determined to revive play immediately in a different form. Nothing could be simpler! The public

gaming-rooms were to be converted into a *cercle privé*, entrance cards to which would be obtained without difficulty, so that the numbers of those frequenting the rooms would not be visibly diminished. The Blancs immediately notified the Government and the municipality of the new venture and received an assurance of their fullest support. As early as May 13 an entry appears on the management's books to this effect: "The municipal government have asked us to form a private club under the name of *Casino des Etrangers* in order to induce foreigners to remain in the town. The Government is prepared to authorize gambling there." The statutes of this famous club are amusing reading:—"This club for foreigners staying in Homburg has as its object the social diversion of its members, in particular by a private club for games of chance. A special room in the casino, the *Prinzensaal*, will be placed at the exclusive disposal of members. Only members and their guests will be admitted, but each member has the right to introduce his whole family and any of his acquaintances." These statutes were drawn up by François Blanc on the 16th; by the 28th, the casino was open again and play went on gaily as before.

This rebellious attitude at Homburg can more easily be understood if the difficulties encountered by the National Assembly at this time are taken into account. After the King of Prussia had refused the Imperial title on the 28th April it no longer had

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any hope of completing the framing of a new constitution. On the 14th May, 1849, at the very time when the Blancs were organizing their private club, Prussia withdrew the mandate of its deputies to the National Assembly and forbade them to take any further part in its deliberations. On the 6th June what was left of the Assembly was transferred to Stuttgart and on the 18th July the Government of Württemberg dissolved it by force.

The Imperial Vicar and his ministers remained, however, at Frankfort, and made desperate efforts to maintain the prestige of the Central Government. When it learnt that gambling had started again at Homburg, in open defiance of its authority, Von Mohl wrote to the Landgrave's Privy Council asking for an explanation. The government protested that it had never recognized the law against gambling and had only yielded to overwhelming force. It further argued that scarcely any of the decisions of the German Parliament, now dissolved, had met with any recognition, even those dealing with constitutional matters. Why, then, it asked, should that against gaming establishments alone be enforced, especially in view of the violence and injustice involved in its execution?

Out of personal consideration for the Archduke's dignity the Landgrave for some time resisted the requests from the directors of the casino that he would allow the immediate resumption of public gambling. But the prestige of the Archduke and

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his Ministers was now waning so rapidly throughout the whole of Germany, that he hesitated no longer, and on August 28th gave his consent.

Thus the conflict with the National Assembly, which had seemed for a while to threaten the Blancs with ruin, ended in their complete victory. Play was resumed, and once again foreigners streamed to Homburg from all parts of the world.

CHAPTER V

DANGER FROM WITHOUT—DISORDER WITHIN

The Homburg casino sees a new era of prosperity—Successes of Louis Napoleon—Threatened revival of gambling in France—Great Press campaign—Competition in Nice and Savoy—Blanc successfully defeats it—His journey to Turin, and its result—No casinos in Paris or Nice—Highflown prospectuses—The Homburg Casino almost entirely owned by the Blancs—Threats and slanders—Disloyal employees—Supervisory measures and reforms

THERE was now nothing more to be feared from Frankfort, and on the 6th October the Imperial Vicar had to resign his office. The prediction of Rochow, Prussian Ambassador in St. Petersburg, had come true: as early as July, when asked by his king what was going to happen in Germany, he had bluntly replied: "The same old Diet and the same old disgusting business (*Schweinerei*).” And by the treaty of Olmütz Prussia had, in fact, to accept the restoration of the impotent old Diet, under Austrian presidency.

The issue of these events restored François Blanc's courage, and he returned with fresh energy to his business at Homburg, which in spite of the *Cercle des Etrangers*, had suffered financial loss through the suspension of play.



The Gaming Room of the Casino in Homburg

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The whole responsibility now fell upon François Blanc's shoulders, for his brother Louis was seriously ill. Exhausted and emaciated, he had to husband his strength, and, though treated by the most famous doctors of the day, he grew worse every year, till soon François Blanc had to manage everything alone.

He was extraordinarily active at this time, especially in his efforts to improve communications between Homburg and the outside world. He was often to be seen in the offices of the French railway companies, pressing them to speed up the construction of the lines leading towards the Rhine. In September, 1849, he obtained a promise that by 1852 the journey from Paris to Frankfort would be reduced to eighteen hours. He accordingly laid his plans so as to complete the new theatre and enlarge the casino by that date, in order to provide suitable amusements for the numerous foreigners whom he expected from Paris. Nor did he neglect to advertise the spa, not only in the leading newspapers of the world, but also in the small provincial papers of Germany.

He engaged an artist to make twelve sketches illustrating the "pleasures of Homburg," and these appeared in the most popular illustrated papers of England, France and Germany.

In view of the revolutionary developments in Paris, François Blanc was compelled to leave his tiny realm for the purpose of watching over his

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interests in the French capital. He continued to supervise matters at Homburg from a distance, while in Paris he busied himself mainly with an advertising campaign. He engaged two press agents named Bigot and Panis, who entered into contracts with the *Siècle*, the *Assemblée Nationale*, and various other journals, and carried on long negotiations with the *Journal des Débats* and the *Constitutionnel*. In addition to this, he arranged in person for a series of eighteen, and even fifty advertisements in such popular papers as *La Presse*, *Le National*, *La Patrie*, and *Galignani's*. The object of all this was to stimulate tourist traffic between Paris and Homburg, which had been adversely affected by recent revolutionary disturbances; for the political situation now promised to become more stable.

After the fall of the bourgeois monarchy, the young French republic had passed through a difficult period. The people still remembered the revolution of June, 1848, and Cavaignac's bloody suppression of it. Fear of anarchy and the desire for a stable government did much to contribute towards the election of Louis Napoleon as President on the 10th December, 1848. His popularity increased rapidly, and he was consolidating his position by filling all offices with men whom he could trust.

The fall of Louis Philippe was of especial significance to the Blancs, for it was he who had abolished public gaming, and the question now arose whether the new regime might not abrogate the law

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suppressing it. In this case François Blanc's object was to obtain an exclusive general concession for the whole of France; but if this proved not to be feasible, he would have preferred that the law should remain as it was, for he dreaded any competition with Homburg. "Several schemers," he wrote to Trittler, his Homburg manager, "are trying to obtain a concession for a gaming-house in Paris, in the shape of a *Salon des Etrangers*, but I have reliable information from well-informed sources that the majority of the ministers are entirely opposed to it, and even if a new Cabinet were to agree to it, the consent of the Chamber would be necessary, and this, I am informed by several well-known deputies, would certainly not be forthcoming; in my opinion it is a hundred to one against the affair coming to anything."

By October, 1849, it was no secret in diplomatic circles that Louis Napoleon was preparing for a *coup d'état*, by which he would become Consul for life, or even Emperor. At the end of the month he formed a new ministry, composed exclusively of men devoted to himself, and independent of a parliamentary majority. It was now clear that he meant to rule alone, or at any rate to share the power only with those possessing his confidence.

All these events were watched by the Blancs mainly from the point of view of how they would affect their own speculations on the Bourse and their gaming concession in Homburg. "The President's

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recent step," wrote François Blanc to Trittler, "has frightened many capitalists, and it is believed that stocks will fall sharply at a later date. My brother and I have sold our Rentes, Louis retaining only his shares in the Banque de France. Prudent people are scared at the prospect of personal rule by the Prince, who, it is thought, is not competent to fill the exalted position he has created for himself, and will only maintain it with the greatest difficulty; the majority in the Chamber will not at first be hostile to him, but will let him make some big mistake, and then fall upon him tooth and nail; in fact, it would not be very surprising if, sooner or later, there were to be another revolution in France."

Towards the end of 1849, however, when passions in Paris had somewhat cooled and increasing confidence had caused a general rise in stocks and shares, François Blanc heard the important news that the municipality of Nice was considering the question of granting a gambling concession. He had already heard in July that a casino had been started at Aix-les-Bains, that is to say, in the kingdom of Sardinia too, and that several others would probably be opened in other towns. Blanc at once wrote to the Sardinian Government asking for a gaming concession; for his guiding principle was to checkmate any enterprise in which he was not himself the prime mover. But he received no reply. He realized, however, that vigilance was necessary. Were others to be allowed to compete with him by opening a

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casino in such a beautiful situation as that of Nice? The obvious thing to do was to make enquiries on the spot.

On arriving at Nice, he learnt that, on the 3rd September, 1849, the municipal council had in fact granted a concession for games of chance to a company called Phillippe & Co., but that this had not yet been approved by the Sardinian Government. In a letter to Trittler Louis Blanc described Phillippe as a "penniless gambler whom you have had at Homburg, too," and added that his brother François had immediately started for Turin, where, thanks to his excellent letters of introduction, he hoped to "arrive in time to checkmate the projects of these gentlemen."

François Blanc's first action on arriving in Turin, so he wrote to Trittler, was to call on the most famous lawyer in the capital, who was also a member of the Chamber of Deputies, and ascertain whether there was anything in the laws of the country that might prevent the grant of gambling concessions. The lawyer showed him the penal code, in which heavy penalties were imposed on games of hazard, viz: Article 5, etc., by which any concessionaire, or even employee, was liable to a fine, and from three months' to a year's imprisonment, while any person gambling in a casino was liable to a fine of three hundred francs. François Blanc then visited several deputies and enquired whether there was any possibility of a modification of the law in

favour of Nice and Aix-les-Bains; they all agreed that the Chamber would never give its consent, for games of chance were generally regarded with disfavour. He also obtained two interviews with the Minister of the Interior, who declared that the Municipal Council of Nice had not, so far, approached the Government on the subject, but that, since the concession was illegal it would never give its consent. The Council's decision had already caused much scandal in Turin, and the opposition press had printed quantities of articles attacking the idea of a casino at Nice or Aix-les-Bains; while one of Italy's foremost publicists had written a pamphlet opposing the granting of gaming concessions in those places.

François Blanc must have been laughing in his sleeve as he wrote this, for it was he who, by money and promises, had persuaded the editor of *L'Opinione*, Bianchi-Giovini, to write this pamphlet. However, it had the desired effect, for it carried conviction to the deputies by the time the question was raised in the Chamber. In a speech which lasted more than an hour Valerio Laurent, the leader of the extreme left, expressed his hostility to the concessions, and the Minister of the Interior replied that this was shared by the Government. The Chamber accordingly resolved almost unanimously that thenceforward no gaming establishments should be tolerated in the kingdom of Sardinia. "Thus," announced François Blanc triumphantly, "we have

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killed the Aix concession in infancy and destroyed that of Nice before birth."

Accompanied by Dr. Gardey and his secretary Desportes, he now returned to Paris, crossing the Mont Cenis under the worst possible conditions: there were ten feet of snow and it was only by the aid of numerous postillions and peasants that their sleigh, drawn by six horses, was able to proceed.

"Yesterday," wrote Gardey to Trittler on 30th January, "we arrived here from Turin, fully satisfied with our work and full of hope for the future. We did not leave the spot until success was certain, and we have left behind a man devoted to our interests, M. Bianchi-Giovini,¹ the editor of *L'Opinione*, who will watch all the manœuvres of the enemy, and renew the attack should it be necessary. I can assure you that we shall hear no more about Nice and Aix-les-Bains."

In Paris, however, the re-establishment of gaming tables in France was once again being keenly discussed. "But Blanc has already taken the necessary steps to oppose this project, which would be so disastrous to our interests," Dr. Gardey reported to Homburg. "He would shrink from no sacrifice to stop this business and is already actively engaged in preventing it." Several companies were, as a matter

¹The real name of Amelio Bianchi-Giovini (1799-1862) was Angelo Bianchi, a compositor's apprentice, who had afterwards become a journalist. He had been editor of *L'Opinione* since 1847 and was in favour with Cavour on account of his support in the struggle against Austria.

of fact, attempting to obtain concessions for gaming-rooms and the municipal authorities of Paris were not unfavourable, for they were greatly concerned at the time with plans for attracting tourists. But everything depended upon the Prince-President, whose personal authority was growing from day to day. When Desportes called upon the President's private secretary, Moquart, to make enquiries, he received a categorical assurance that, so long as the Prince was President, no gambling licence would ever be granted in Paris. Louis Napoleon was planning his *coup d'état* and did not want to commit himself in advance by a decision which would give his enemies a welcome opportunity of attacking him.

Thus the question of the gaming-houses in Paris was settled, and nothing more was to be feared from the kingdom of Sardinia. But although the projected concession at Nice had failed, it had started the idea of opening a casino somewhere on the sunny Riviera. Certain people were already considering the Principality of Monaco, which, though under the protectorate of Sardinia, was ruled by a Prince who had always known how to uphold his sovereign independence. Through his numerous agents, especially in journalistic circles, Blanc naturally heard of this new project at once; but at that time it did not disturb him. In view of what happened later, it is amusing to read the opinion which he expressed in a letter to his faithful Trittler: "The

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Nice affair has been completely given up; it is said that the Prince of Monaco would be prepared to grant a concession, but it would be such a doubtful venture that no one would undertake it."

But François Blanc was not only vigilant in his attempts to avert danger from without; he was also assiduous in building up and developing his enterprise at Homburg. His task, already exacting enough in itself, was still further complicated by his frequent absences, due to his health, his observation of foreign casinos, his intrigues against projects for new gambling concessions, or the discharge of the business connected with his large fortune.

About this time he commissioned his friend, Dr. Gardey, to write a pamphlet entitled *Notice sur les eaux minérales de Homburg*, which was published in Paris in the year 1851, and sang the praises of the Homburg waters and their medicinal virtues. At the same time he had a hundred thousand copies of an illustrated prospectus of Homburg printed, in which the pleasures of a stay at the little spa were enthusiastically described. On the front page appeared a picture of the casino, with the Elector of Hesse's orange-trees standing before the doors and the words: "The town of Homburg has become the rendezvous of travellers, the elegant and fashionable retreat of people of taste, leisure and wit, and a peaceful oasis visited yearly by whole caravans of tourists who may well be called the pilgrims of

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pleasure." There followed a description of the casino and ballroom. "It should only be seen brilliantly illuminated, filled with young, beautiful and exquisitely dressed women, perfumed with the fragrance of flowers and lent animation by music and the dance. It can truthfully be said that boredom has never dared to cross its threshold." The amazing medicinal qualities of the waters, the beautiful excursions into the neighbouring Taunus mountains, and the pheasants, hares and deer which could be shot in the well-stocked 50,000 acres of woodland, were celebrated in equally dithyrambic terms. Next came an adroitly negligent reference to what was really the principal attraction: "From morning till night the powerful lure of the tables is felt, dazzling piles of gold and heaps of banknotes, these thrilling games in which, by abandoning some of its advantages, the casino has given players an equal chance against the bank." The prospectus ended with the words: "Thus life in Homburg can be briefly summed up as passing one's time in the pleasantest possible fashion, restoring one's health, resting from the cares of politics and business worries, meeting the most distinguished people from every capital in Europe and making friendships which will be a pleasant and enduring memory."

François Blanc's share in the concern had been decreased during the critical year 1849, for he had sold four hundred shares of a nominal value of 200,000 gulden at half the price to the company's

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fund for working expenses. A new and important shareholder was Countess Kisselev, whom we have seen to be one of the casino's most ardent gamblers. By March, 1851, she already held a hundred and eighty-nine shares. In order to achieve her ends she adroitly flattered François Blanc's vanity, for when they were both in Paris she treated him in most friendly fashion and even invited him to her house, which could not fail to make an impression on a man who, in spite of his fortune, was not received in Parisian society. Thus she was doubly interested in the Homburg establishment: as a shareholder she could rejoice in her own losses, and when losing she could think of her dividends.

In almost every country in Europe unrest had now subsided and reaction triumphed; and rich and pleasure-loving visitors once more began their pilgrimage to Homburg from all parts of the world. Everything was going so splendidly that at the general meeting of the company it was decided to start enlarging the casino at once and resume borings in the hope of finding a hot spring. François Blanc bitterly regretted having sold some of his shares during the depression of 1849, and would not have sold a single one now even at a thousand gulden a share. He saw the future in the rosiest colours, and wrote to Trittler in the autumn of 1851: "As to the expenditure on the new buildings, you need not look at every penny. Let everything be done in style."

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But several unpleasant incidents now occurred to break the spell and check the progress of the company for a time. François Blanc was too much accustomed to receiving slanderous and threatening anonymous letters to worry about them much; but about this time he was rather upset by a letter from an Englishman, a certain Mr. Percy. "This Englishman," wrote François Blanc to Trittler, "demands in the most threatening terms the closing of the Homburg casino. If we do not comply with his wishes, he says that he and his friends will use every means at their disposal to make us do so. He declares that one of his relations committed suicide in the debtors' prison at Homburg about a month ago. . . . I have sent my lawyer to him and threatened to report the matter to the police, for his letters contain threats which are actionable. His reply was a positive ultimatum . . . and I think you would do well to have this man carefully watched, should he return to Homburg, for he is extremely ill-disposed towards the casino. . . . My sister-in-law, who has received a similar letter, is much upset. You know how easily women are frightened."

There was no sequel to the Englishman's threatening letter, but unpleasantnesses of this kind were fairly frequent. If the bank was doing well, the number of losers increased and this was at once reflected in the number of threats and complaints. If, on the other hand, winners were more numerous,

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dividends melted away, and the very existence of the whole undertaking seemed threatened, to the alarm of the shareholders.

After two splendid years, an unlucky period suddenly set in. Towards the end of the summer of 1851 the profits began to shrink alarmingly, though the number of people visiting the casino was still increasing. Nor was this merely a passing phenomenon, for during the winter season 1851-52 the profit on the *trente-et-quarante* tables was still decreasing, though the receipts from the roulette tables were on the up-grade. François Blanc would have liked to enquire into the matter, but neither his own nor his brother's health allowed of this, for Louis was by now dangerously ill and had to be moved to a nursing-home. François had therefore to conduct enquiries from a distance, and wrote letter after letter to his faithful Trittler, suggesting possible explanations and lines of action, and demanding information and reports.

He began by devising means of estimating the nature and force of the currents which threatened his enterprise with shipwreck. He first called for a table comparing the profits from the *trente-et-quarante* tables during the recent winter season with those of the three previous years, and this he studied closely. It was obvious that the continued rise in the profits from roulette was accompanied with a constant shrinkage in those from *trente-et-quarante*: here was an anomaly which could not possibly be ex-

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plained solely by the operations of chance. "For about a year past," he wrote, "this shrinkage of the profits from *trente-et-quarante* has been going on. Nothing of the sort has ever happened before during the whole existence of the casino at Homburg. Such a discrepancy might conceivably last for two, or seven months, but continuing over a whole year it is most abnormal, and we may say with comparative certainty that there is cheating going on somewhere. . . . As soon as the state of my health permits me to visit Homburg, I shall try to clear this matter up." Blanc further enquired whether Wellens was always on the spot, why the principal croupiers were not frequently changed, and why the officials in charge of the *trente-et-quarante* tables were not transferred in the course of the same evening to the roulette tables, and *vice versa*, without previous notice. He recommended that two inspectors should be employed at the *trente-et-quarante* table instead of only one, and warned his correspondents not to trust Wellens, though he was the chief director.

Blanc further gave orders that the private life of the croupiers should be enquired into: he insisted upon being supplied with information as to how much each of them spent, and enquired whether those who seemed to be well off were the ones who had been on duty while the bank was losing badly. He made arrangements with Trittler to keep Wellens under closer observation: he was no longer

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to be allowed to make up the books by himself and was to spend "at least six hours a day inspecting the play in the rooms." But Trittler lacked the courage to hand on these orders to him. "I am quite sure I recall," wrote Blanc, "that on the day after we had arrived at our decision, you allowed Wellens to make up the books as usual, after which Mr. Wellens goes off and dawdles about the restaurant, without maintaining any sort of supervision in the rooms, where he only spends one hour a day, because he is not allowed to smoke there." However, Blanc insisted that Trittler must make up the books himself; perfect supervision of the accounts, he said, was the A.B.C. of a profession in which no rational system of checking profits could be devised. As for Wellens, he absolutely must spend the regulation number of hours in the rooms. "I am well aware that it is an enormous thing for him to go without smoking for six whole hours," wrote Blanc; "but what is to be done? I was a smoker for twenty-five years, yet the moment the doctor told me to stop, I did so, and I have not smoked a single cigar for a whole year. With a little good will one can do anything."

Somebody was certainly at fault, and the culprits had got to be found. "If we do not succeed in discovering the thieves now," he wrote "when we are evidently being robbed at the *trente-et-quarante* tables, our profits from that game will most probably shrink to almost nothing, if, indeed, the thieves are

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kind enough to leave us anything at all." And if it was not found sufficient to keep the officials under observation, then the public would have to be closely watched. One of his letters to Trittler ends as follows: "We shall have to arrange matters for next winter in such a way as to prevent such vermin as the 'professors' and other dubious characters from frequenting the Kursaal in future. It will be all the easier for us to do without them because the railway-lines from Paris ought shortly to increase the numbers of our visitors considerably. At all costs Homburg has got to be cleared of the low element, and given the select atmosphere of good society."

Though the various measures adopted by Blanc's instructions did not succeed in discovering the culprits, they none the less had their effect, and the receipts from *trente-et-quarante* slowly improved.

Unfortunately, Homburg was not to enjoy this respite for long: the amazing luck of one daring gambler was to cause a perfect panic among the directors of the casino. Exciting hours were in store for the Blanc brothers, such as they had never yet known during the whole of their previous career, rich though it had been in striking events of all sorts.

CHAPTER VI

A BONAPARTE BREAKS THE BANK AT HOMBURG

François Blanc sole head of the casino—Family history of Lucien Bonaparte—Charles Lucien an audacious gambler—His trip to Wiesbaden and Homburg—His rashness and enormous winnings—Panic at the casino—Appeal to Rothschild—Prince Bonaparte leaves Homburg—Tranquillity restored—Measures against a repetition of such episodes

LOUIS Blanc was now so seriously ill that he could no longer take any part at all in the management of the casino, and François was left to direct the business alone. He was, strictly speaking, no more than a gambler himself; but there was this difference between him and his clients, that, whereas they were the slaves of a passion, or of one of those "infallible" systems which have never yet triumphed over chance, and their fortune depended upon the chance of the cards, Blanc succeeded in shaping his own fate by bold foresight, clever organization and skilful modifications of the rules of play when he found that he was losing. Thus he was able to count upon ultimate success; yet for all that there were a few daring players who succeeded in causing him grave anxiety, and even bringing him face to face with possible ruin.

When, on the 26th September, 1852, Prince Charles Lucien Bonaparte arrived at Homburg,

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Blanc could not but rejoice, for he was eager to attract visitors of rank and illustrious names, and here was as fine a one as he could wish: the cousin of the Prince-President, who only a few weeks later was to become Emperor of the French.

Prince Charles Lucien was the eldest son of Lucien Bonaparte, Napoleon I's youngest brother, who, after playing a decisive part in the *coup d'état* of the 18th Brumaire (November 9, 1799)—and perhaps, indeed, for that very reason—was always envious and insubordinate in his behaviour to his brother. Charles Lucien's mother, Alexandrine de Bleschamp, had had as her first husband a stock-broker named Joubertson. His parents' marriage had caused such strained relations between Napoleon and Lucien that the latter had retired to Rome, where the Pope bestowed upon him the Principalities of Canino and Musignano, after which he bore the title of Prince of Canino, which was handed down to his descendants. Charles Lucien inherited the remarkable qualities of his father, undoubtedly the most able of Napoleon's brothers. Born in 1803, in 1882 he married the daughter of Joseph Bonaparte, King of Spain, who died without heirs male, thus enabling his son-in-law to inherit the property of the elder branch. Charles Lucien lived in Rome, devoting himself to the study of ornithology, and, being full of ultra-democratic and republican ideas, took an active part in the stormy events of 1848-49 which led to the flight of Pope Pius IX to Gaeta.

Canino



Lucien Roumagnolo, Prince de Canino.

The Prince of Canino
1803—1857

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After this open opposition to his cousin's policy, when the French intervened at Rome in favour of the Pope he attempted to escape, but was arrested during a demonstration against the French. Not till 1850 was he officially reconciled with his cousin, whereupon he returned to Paris; though here, too, he continued to intrigue against him with the opposition.

The Prince of Canino was in peculiarly bad odour with all those having clerical sympathies. In the rather spiteful and scandalous memoirs of Count Horace de Viel-Castel he is described as "a fat and dirty republican, erudite, boring and unscrupulously ambitious, capable of any cowardice or crime." Poor Canino was not really so bad as all that, but one vice he certainly had, and that was a violent passion for gambling, which shrank from nothing but small stakes.

Louis Napoleon's rise to power having restored his credit and filled his pockets, he now began to give gambling parties in his own house. In September, 1852, he decided to go to Homburg, for at that time everybody was talking about it and the newspapers were vaunting its charms in the most high-flown language. After a short stay at Wiesbaden, where luck was on his side, he arrived in Homburg with full pockets. He at once visited the casino, where, thanks to his cousin's eminent position, he immediately became the centre of interest. The players crowded round the stout, bull-necked

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Prince with his dark, flashing eyes; on the table before him lay piles of gold, and from the first his stakes were the highest allowed by the bank. Changing from the roulette to the *trente-et-quarante* tables, he won almost without a break and with incredible luck, retrieving his few losses by staking on the even chances. In four consecutive days, September 26 to 29, he won 180,000 francs, and the bank was constantly compelled to replenish its supplies of money at the tables where the Prince happened to be playing. These huge and repeated winnings alarmed the authorities of the casino, who foresaw that, should the Prince's luck continue, the bank's whole reserves of 300,000 gulden would be exhausted and play would have to be stopped. On the evening of the 29th it came to an end when the Prince had exhausted the reserves at both tables.

At his wits' end, Trittler hurried to the Rothschilds at Frankfort and asked for an advance of 200,000 gulden on the four hundred shares belonging to the company. But Rothschild refused to make the advance until he received telegraphic instructions from Paris, for he was aware that Blanc possessed a large private fortune. Trittler accordingly telegraphed to Blanc, but meanwhile decided not to supply fresh money to any of the tables again if its daily reserves were exhausted before closing-time. Unfortunately, Blanc happened to have left Paris for the day, so that the

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telegram did not reach him till twenty-four hours later. The whole day went past without any answer from him, but luckily some other players lost considerable sums, so that the tables at which the Prince was still playing could be supplied with more money.

After a day's pause, on the 2nd October Charles Lucien once more appeared at the casino, and still staking the maximum amounts, lost heavily until ten o'clock at night. Everyone breathed more freely, the danger seemed at an end, and it looked as if Rothschild's loan would not be needed; but Bonaparte's enormous resources enabled him to stand these losses. At ten o'clock in the evening his luck turned, and though the bank's reserves had been strongly reinforced, he won so heavily that on retiring to his hotel that evening he took away with him no less than 560,000 francs.

The management immediately called a meeting of all the company's shareholders present in Homburg to decide what measures should be taken to avert a catastrophe. It was agreed that the maximum stake should be reduced from four to two thousand gulden and that the Government should be asked for permission to introduce the double *refait* at *trente-et-quarante* and the second zero at roulette. Meanwhile a telegram had arrived from François Blanc in which he placed 120,000 gulden at the disposal of the company.

But while this agitated meeting was going on,

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Prince Charles Lucien was preparing to depart; and though the bank thus lost all hope of retrieving its losses, yet, in view of the circumstances, his departure was a decided relief. The bank won steadily during the next few days, and by the end of a fortnight its losses appeared to have been considerably reduced. But the enlargement of the casino and the building of a proposed large hotel were postponed till better times should return, and the working capital was increased by another 200,000 gulden.

While all Homburg was in a flutter of alarm lest another such successful gambler should appear, François Blanc was comparatively calm. He had often maintained that none but a really big gambler was formidable to the bank, and even then only if he commanded a very much larger capital than that of the bank. He was even optimist enough to regret Prince Charles Lucien's departure, for he felt sure that in the long run he would have lost all his winnings again.

However, he was confident that the Prince would return one day, for experience told him that nothing encourages people to go on gambling more than a good big run of luck and the mirage of boundless wealth that it creates. He comforted himself for his losses by turning them to a practical use. The astounding luck of a man bearing such a famous name—which seemed at that time to be as lucky in politics as at the tables—was a

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magnificent advertisement for the casino; in fact, for months to come the chief topic of conversation in Paris was how easily a fortune could be won in a few days at Homburg.

The result was, that on the 2nd December, 1852, when Louis Napoleon was crowned Emperor of the French, and a period of political tranquillity set in for France and throughout the whole world, the number of visitors to Homburg increased enormously, especially from Paris. Not only did the bank retrieve its losses easily, but soon its profits had beaten all previous records, and the dividend distributed to the shareholders was five times as large as in the previous half-year. Thus ended the dangerous episode of the Emperor's cousin. François Blanc could breathe again, and, being now at last free from serious cares and full of hope for the future, he had time to think about his private affairs and carry out a long-cherished plan.

CHAPTER VII

BLANC'S MARRIAGE AND THE SUCCESS OF HOMBURG

The Cobbler's daughter—The Huguenot colony at Friedrichsdorf—A tardy, but perfect education—The risks of pigeon-shooting competitions—Throw a sprat to catch a whale—Famous players: Garibaldi, Lassalle, Paganini—Registers of the gambling rooms—Spite of the losers—Dividends increase—New railway to Homburg—Amazing rise in the shares

AS a matter of fact, François Blanc had never really felt at home in Homburg. He was too thoroughgoing a Frenchman, and never even spoke German well enough to feel quite at ease in a German-speaking land. Socially, moreover, he was ignored by the Landgrave, and those about the court followed their Prince's example; while foreign visitors, who were mostly gamblers, and often unlucky ones, were not much drawn to the proprietor of the casino who was enriching himself at their expense. Besides, his financial interests and the settlement of his brother's estate, when the latter finally died after a long illness, necessitated his absence for long periods. And when he did happen to be in Homburg, he felt like a fish out of water amid the excitement and gaieties of the little spa.

He had long been a widower, and his two little sons, Camille, born in 1846, and Charles, who was

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two years younger, were at a boarding-school. He lived with an old housekeeper who did everything for him and was as devoted to her master as she was to a bottle of good old claret. She kept house for him in a modest dwelling opposite the casino, and it was she, apparently, who brought into his life the person who was afterwards to play such a momentous part in it.

One day the housekeeper brought back with her from the neighbouring village of Friedrichsdorf a young and extremely pretty girl, bright, amusing and unspoilt by education, who created a cheerful atmosphere in the house. She soon managed to please Blanc, especially since, like most people in her little village, she spoke French with a sprinkling of Germanisms; for Friedrichsdorf had been founded by Huguenot refugees after the revocation of the Edict of Nantes in 1685. Some thirty families had migrated to Homburg, and the then Landgrave, who was trying to re-settle his territories after the Thirty Years' War, granted them a piece of land suitable for colonization. Such was the origin of the little community of Friedrichsdorf, which still preserves some trace of its origin even at the present day.

Marie Hensel, born in 1833, was the daughter of a poor but respectable cobbler. Young though she was, she soon made a great impression upon Blanc; but thanks to the sensible advice of her father, who would not have hesitated to make a scandal if

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Blanc had behaved in any but an irreproachable manner to his daughter, she bore herself with such virtue and modesty that the elderly director was induced to ask her hand in marriage.

Yet there were still many obstacles to be overcome. Though clever, energetic, and good-looking, Marie Hensel was utterly ignorant, and the gaps in her education were such that Blanc would have felt embarrassed at appearing in polite society with such a wife. Accordingly, in March, 1849, he decided to send her to school in France, where she could make up for her neglected education and learn to behave like a well-brought-up young lady. He visited her several times in Paris, and was pleased to observe what rapid progress she made; and when she returned to Homburg after a few years, she was transformed into quite a young woman of the world, whose excellent qualities and talents were now seen to still greater advantage.

The marriage took place in 1854 and was most successful, for Marie was far more than a good wife to this man twenty-seven years her senior; she proved a true helpmate, whose unerring instinct could be trusted to find the best solution of the many difficulties with which her husband was so often faced. She soon presented Blanc with a son and two daughters. Nor was she ever forgetful of her many relations at Friedrichsdorf, or the innumerable children of her twelve brothers and sisters. She supported, assisted and found places for her



Marie Blanc
1833—1881

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most distant relatives, even when they tried openly to abuse her kindness. When Blanc was away, as was often the case, she took his place; for since the death of his brother Louis, François had nobody whom he could trust so implicitly.

As soon as business began to improve, Blanc started planning new ways of increasing the attractions of Homburg. Thus in October, 1854, he engaged a company of French actors, whose performances were such a success that, at the next general meeting of the company, the building of a theatre was mooted, as well as an extension of the casino gardens. Blanc had thoughts of starting pigeon-shooting competitions; but the far-sighted Trittler and Wellens opposed this last proposal. "It is an interesting amusement," wrote Trittler, "for occupying hours of leisure. But in the neighbourhood of a casino like ours, from which so many depart in despair, anything that might make it easier for people to take their own lives when they have seen their last hopes destroyed should be removed. At such moments people are not in their sober senses, and are virtually madmen." Another remark in the same letter shows how severely these men judged the passion which was, after all, the source of their own livelihood. Trittler had been looking for someone to fill a post in the casino and believed he had at last found him, "Only," he added, "he has, as you know, an unfortunate passion for gambling; but now that he has paid for

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his experience he has probably become more reasonable."

As profits were still enormous, Blanc thought he might safely offer the players still greater advantages in order to compete with the other casinos in the Rhineland, from which he hoped to attract visitors by introducing the *quart de refait at trente-et-quarante*, thus making Homburg the real centre of the gambling world. But once again the directors of the casino took fright and wrote to Blanc, who was staying at a little watering-place near Grenoble, telling him that he was carried away by his imagination and judged merely by the daily results. "You are not present," they continued, "at these critical moments when it has been necessary to provide fresh funds for all four tables at once, thus using up practically all the cash at our disposal. The drastic step you contemplate will put an even more serious strain on our resources, and it is essential that you should come here and discuss the matter in person, at a meeting of all the directors." It was often necessary, Trittler said, to make players fairly large advances, in order not to appear harsh and unpleasant. "At this very moment," he continued, "we have several great noblemen here who will not fail to draw on our resources as soon as they have emptied their own pocket-books. You know whom I mean: Ossokin, Krysiński (Count Leliva), de Halier, etc. In order to attract Ossokin to Homburg we have had to change his Russian

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money at such a ruinous rate that we lost no less than ten thousand francs. We are throwing sprats to catch whales, and trusting to the goddess Fortune; such proceedings can be justified only by results." All the directors, he said in conclusion, were at one on this point; and a highly satisfactory balance-sheet proved that they were right.

Once more the most perfect order reigned in the gambling-rooms, thanks to the strict measures adopted for the supervision of both croupiers and players. A new system had further been introduced—that of the *livres de jeu* (registers) in which an inspector entered the most important gains or losses, with a view to calculating their reactions upon the bank.

Illustrious names were to be found in these books. In April, 1834, Garibaldi stayed in Homburg, staking modest sums of from four hundred to eight hundred francs. Among the Russian colony should be mentioned first and foremost Count Stolypin, at that time the greatest gambler in Homburg; then there was Branicki, the son-in-law of the Countess Kisselev, who, together with a certain Oliński, won and lost whole fortunes. Another visitor was Lassalle, and in November, 1854, and April, 1855, the illegitimate son of Paganini was in Homburg. He had inherited two millions from his father, together with a passion for gambling which the great violinist's unfortunate experiences were powerless to counteract. Niccolò Paganini, together

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with another concessionaire, had actually founded a casino; but his partner was quite mistaken in supposing that the famous musician would act as a great attraction to the casino. Paganini was too much of an artist, and too little of a business man; he was capricious, and played only when he pleased. So visitors were discouraged, the casino had to close and Paganini lost a fortune. Yet he left behind him a lasting memory. Those who heard him play never forgot his long, slender figure, his thin, white bearded face, framed in a mane of black hair, his enormous beak-like nose, his eyes radiant with enthusiasm, and the blissful smile which overspread his features when he began to play. Music, women and gambling were his three passions, and he bequeathed them all to his son, who was always to be found where the little ivory ball circled round the roulette-wheel.

The inspectors who kept these books naturally knew only the most important of the many players who crowded round the tables. If they wanted to note the losses or gains of someone unknown to them, they chose some characteristic feature of his costume or appearance, under which he was entered in their record. Thus, side by side with the great names mentioned above, we read of "a beardless Russian," "a bald Frenchman," "a fat Jew," "the man with spectacles," "the new client with fair whiskers," "the red neck-tie," "the lame Jew," "the wooden leg," "the Englishman with the



Niccoló Paganini, Master of the Violin
1782—1840

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imperial," "the lady with the big lorgnette," "the spectacled man wearing orders," "the Englishman with a wig," "the red-bearded newcomer," and many others. And beside each nickname are written the pitiless statistics of winnings or losses. Little by little Homburg was growing more popular than any other spa. The crowd was sometimes so great that the players stood five or six deep round the roulette tables. Since counters had not yet been adopted at that time, and real coins or bank-notes were placed on the tables, particular care had to be taken to guard against cheating. Large sums were thrown on the green cloth wrapped up in *rouleaux*, on which was printed their value. One day, however, it was noticed that a certain Roux-Martin was staking sham *rouleaux*, in which only the two end coins were gold, the centre being filled with lead. He was watched and caught red-handed at Baden-Baden. In his rooms were discovered a quantity of these clever sham *rouleaux*.

Yet, as the bank's success increased, the number of losers naturally grew in proportion, and their rage often found expression in venomous libels, frequently with the object of extorting money from the Blancs. A severe satire upon gaming-houses in general, and that of Homburg in particular, appeared in Paris in 1856 entitled *Les Echos de Homburg*, by one Etienne Pall. Through a firm of publicity agents in Paris, Messrs. Panis, which was also employed by François Blanc, notices of this

pamphlet appeared in the five most important Parisian newspapers, in which it so happened that Blanc was in the habit of advertising the "pleasures of Homburg" through the same agents. When Pall's announcement appeared for the third time, Blanc asked Panis what he was doing to advertise such a pamphlet; whereupon it transpired that Panis had never read it. When he heard what it was about, he refused to carry out the contract any longer, on the pretext that the pamphlet was a libel on French citizens. Pall brought an action against him, and won his case; and so it happened that for some time to come the *Journal des Débats*, the *Constitutionnel*, and three other papers were printing in the self-same numbers the most flowery advertisements of Homburg side by side with a violent attack in which it was vilified in the strongest terms.

However, pamphlets of this sort did little harm, for the tables at Homburg were conducted quite irreproachably. There could be no question that this public gambling, strictly supervised by employees of the casino and government commissioners, gave players more adequate protection against swindling and cheating than they enjoyed in the many secret clubs and clandestine gambling hells in Paris, where play still went on in defiance of the law.

Though quite accustomed to abusive letters and attempts at blackmail, Blanc was too cautious and anxious to disarm possibly damaging criticism

merely to throw them into the waste-paper basket. He always made most careful enquiries; and if the writers turned out to have any influence in powerful quarters or with important newspapers, they were treated with the greatest consideration, and discreetly granted some appreciable advantage, sometimes in the form of a handsome sum of money. But the huge success enjoyed by the casino enabled him to forget these passing annoyances, and the half-yearly balance-sheet fully compensated for any unpleasantness.

Thanks to the tables, the amusements of every sort provided at Homburg, and, above all, the splendid cooking of the Parisian restaurateur Chevet, formerly of the Palais-Royal, a highly fashionable clientèle was attracted to the little spa, to which Wiesbaden alone could offer any serious counter-attractions. Its competition was all the keener because Wellens, who had had to leave Homburg as a result of strained relations with Blanc, was now applying his experience of Blanc's methods in his new post. But Wellens had neither the ability nor the financial resources to be really dangerous; and eventually the two casinos came to an agreement by which wasteful competition was eliminated.

In January, 1857, in return for the Government's assent to certain modifications in the rules of play, the company controlling the casino contributed ten thousand gulden towards the fund for excavating

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the ruins of a Roman fortress known as the Saalburg. This handsome subscription was doubtless not prompted by any interest in the archeological or historical value of the site, but was given for the sake of the advertisement, and with the object of developing the attractions of Homburg. The financial position of the company was so strong at this time that it was able to increase the bank's reserves from four to six hundred thousand gulden.

In the autumn of 1858 the directors were in a position triumphantly to declare a dividend of forty-two gulden, as against only fourteen in the preceding half-year. The dividends, which, from 1855 to 1889, oscillated between twelve and forty-two gulden were proof positive of the contention that in the long run the bank always wins, though of course it is not entirely immune from the caprices of chance.

Everything was now going on splendidly, and Blanc's satisfaction would have been complete, had not the threat of abolishing the gaming-tables been audible once more in the Prussian Upper House, as well as in the Federal Diet at Frankfort. As though desirous of proving to its own satisfaction its stability in face of this threatened danger, the company now raised some fresh capital, in order to obtain the sums necessary for the construction of the railway and the new buildings involved in this.

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Yet these projects, again, were threatened with failure, as the result of an incident which, though hardly surprising in connection with a concern so variable in its yield as a gaming establishment, none the less forced the management to concentrate all its resources on the present emergency, and for a time rendered all plans for the future impracticable.

CHAPTER VIII

AN AUDACIOUS GAMBLER: THE SHAREHOLDERS CONSPIRE AGAINST BLANC

The railway brings crowds of visitors—The career of a traveller in cork—Garcia's huge gains—Anxiety of the management—Special precautions cause a sensation—Opposition to Blanc's management—Revolt among employees and shareholders—Garcia returns—His defeat—Three shareholders head the offensive against Blanc—Serious accusations—Press attacks—Conflict with the Landgrave's Government—Blanc's compromise with the government—He triumphs at the meeting of shareholders—François Blanc uneasy

THE following incident occurred towards the end of August, 1860.

The profits from the tables had diminished considerably since April of that year on account of the abnormal run of luck enjoyed by several fortunate gamblers, and the dividend for the half-year had fallen to seven gulden. Yet Blanc did not see any cause for anxiety, for he hoped these poor results would improve after the opening of the Homburg-Frankfort Railway, which was expected to take place on the 10th of September. But suddenly all his hopes were dashed by the exploits of an intrepid gambler.

His name was Thòmas Garcia. A Spaniard, born in Barcelona, he had come to Paris at the



Thomas Garcia

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age of twenty-three, as traveller to a firm of cork manufacturers. He had barely arrived in the French capital when he joined a gambling-club where he played with such ardour and audacity that he shook his opponents' nerve, and often won large sums. Cunning and unscrupulous, he was well-known to the Parisian *demi-monde*, in which he soon gained the reputation of an intrepid and fearless gambler. Such a man could hardly fail to visit Homburg; and one fine day, armed with the huge sums he had won in Paris, Garcia made his appearance in the casino there.

His appearance was not impressive; he had a stolid expression and was short and stout. Like a true parvenu, he tried to make up for his physical disadvantages by dressing showily. He wore an embroidered shirt, and his rings, watch-chain and buttons glittered with diamonds, while his coat was embellished with a small diamond cross which looked like a high order, but was, of course, entirely his own invention. He had a taste for theatrical effects, and never entered the rooms alone, being always accompanied by a sort of suite, including his mistress, a beautiful young German girl, who never left his side while he was playing. He seldom played anything but *trente-et-quarante*, having learnt by experience that it offers greater chances of winning than roulette. His coolness and impassive expression at the tables were perfectly astonishing.

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In the previous April, profits having been rather poor, the maximum stake had been reduced to twelve thousand francs (5,600 gulden), while the whole body of players at one table might no longer stake more than thirty thousand francs (14,000 gulden) between them on a single coup. Garcia never staked less than the maximum at *trente-et-quarante*, while his mistress and a confederate of his, whom he passed off as his brother, would simultaneously put on six and twelve thousand francs each, so that between the three of them they made up the maximum on every coup. On the first day, according to the registers, Garcia won only twenty-eight thousand francs, on the second day his winnings rose to a hundred and sixty-nine thousand five hundred, and on the next to a hundred and ten thousand; but on the 27th of August he lost no less than three hundred and twenty-nine thousand francs. Quite undaunted by this, however, on the 28th August he won two hundred and sixty thousand francs in under an hour, and, though subsequently losing forty-four thousand, on the next day he won two hundred and forty thousand.

It looked as though Garcia were a prudent gambler, for he now disappeared, and everybody thought he had left Homburg, taking his enormous winnings with him. As usual, the directors were divided between relief at the lucky gambler's departure and regret at losing such large sums.

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But he was not long gone; on the 9th September he was back again in the casino. Still playing the same system, he rapidly won three hundred thousand francs, of which he lost fifty-six thousand the same day; but on the following day his luck abandoned him. A crowd of excited players gathered round the table where he sat before a huge pile of gold and banknotes, and watched with bated breath while it melted away. By the end of six hours he had lost no less than four hundred and fifty-seven thousand francs—nearly half a million—which at that time was almost a record. Still he refused to give up or acknowledge himself beaten, and on the 11th September he succeeded in winning back a hundred and seventy-eight thousand francs. The next day at four o'clock he seated himself at the first *trente-et-quarante* table and a wildly expectant crowd saw him win a hundred and sixty-eight thousand francs in a few minutes; he then stopped, and, as if in obedience to a sudden inspiration, left the first *trente-et-quarante* table and went over to the second. In a moment the first table was deserted and everyone pressed round the second, where, after an hour's play, Garcia had won two hundred and six thousand francs. Suddenly, as he was about to continue, he felt a hand on his shoulder, and, turning round, encountered a pleading glance from his mistress's eyes. With a visible effort he rose, gathered up his winnings, returned to his hotel and left Homburg

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the same evening. In all he had won nearly eight hundred thousand francs.

The directors of the casino and the government commissioners were in a perfect panic. The Homburg casino had never encountered such a gambler or witnessed such luck since the visit of Prince Bonaparte. Fortunately, the financial resources of the bank were infinitely greater than they had been at that time, and even such serious losses as these did not endanger its existence. But Garcia had carried off all its profits, which already seemed likely to be poor that season; a few more such incidents, and for the first time since its foundation the Homburg casino might be faced with a deficit. The government commissioner, whose duty it was to supervise the casino, submitted a report to the Landgrave on the 11th September, which gives a vivid picture of the impression produced by these events upon the public, and especially the shareholders: "It can no longer be called play," he wrote. "First Garcia sweeps the board and all day long fresh sums have to be supplied to the bank; then the bank impoverishes Garcia to such an extent that he has to send to France for more money. And the next day this disgusting business goes merrily on. The crowd round the table where the Spaniard sits is indescribable and the press so great that it is impossible to maintain order. But still more deplorable is the moral effect of such scenes. Homburg has already been sufficiently

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attacked, and its reputation is bound to suffer from such scandalous incidents. It is already referred to as a den of thieves, and if there is a repetition of recent events, the papers will have plenty to say about it." The report concluded by advising the Government to negotiate with the casino authorities for another reduction of the maximum.

At the end of the half-year, however, the full effects of the Spaniard's success were apparent; the dividend fell to one gulden fifty-two kreuzer on each of the 40,000 shares. Though other players had lost large amounts, these had failed to compensate the bank for Garcia's winnings, and Blanc wrote to Hartlieb, who had now replaced Trittler both as director of the casino and as his own confidential man, in the following somewhat rueful terms: "I am sorry to see that M. Garcia is carrying off our profits. Kindly watch the tables as carefully as you can, so that everything is conducted in as orderly a fashion as possible."

The Garcia affair was naturally discussed at the general meeting of the company which took place on the 5th October, some of the shareholders maintaining that the reputation of the casino had suffered almost more heavily than its funds. But Blanc took a more practical view of the matter, and held that, though Garcia had wiped out the profits on the half-year, the business had emerged from the crisis stronger than ever. Opponents of gambling might perhaps point to

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the incident as an argument on their side, but it should not be forgotten that Prince Bonaparte's sensational winnings had been a great advertisement to the place, and that the bank's profits during the subsequent half year in 1852 had been the biggest up to that time. Blanc was perfectly right. All the newspapers printed long articles on Garcia and his fabulous luck, and the *Figaro* published a striking account of the feverish events of these days, giving the impression that, with a little good fortune, it was the easiest thing in the world to get rich at the Homburg gaming-tables. At this time, moreover, the newspapers in general were well-disposed towards the Homburg casino, for on the opening of the railway Blanc had started an extensive advertising campaign in all the principal countries in Europe. He had had large advertisements inserted once a week for twelve weeks in eight important English papers—*The Times*, however, holding aloof—in seven Berlin papers, six Viennese and all the most important provincial papers in Austria and Germany, not to speak of the most popular journals of St. Petersburg, the Scandinavian countries, Holland and Switzerland; so that most of the chief papers were obliged to treat Blanc with consideration. Only M. de Ville-messant, the witty, but not very scrupulous proprietor of the *Figaro*, occasionally yielded to the temptation to indulge his irony at Blanc's expense in a way which the latter did not altogether like.

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There were, however, a few employees who ventured upon some rather sharp criticisms of François Blanc's methods. When business was going well they held their tongues, but if any unfortunate incident occurred, they seized the opportunity of blaming him for everything that went wrong. Pfeiffer, the manager, was particularly ill-disposed towards him. Pfeiffer was a short-sighted person who was always preaching economy, and opposed all the novel ideas with which Blanc's fertile brain was constantly teeming.

The shareholders, too, intrigued against Blanc, growing more and more insatiable and losing their tempers at any reduction in the dividends, whatever the cause might be. Unfortunately Blanc could not defend himself as vigorously as he could have wished, for he was often compelled to go abroad for long periods in search of health. In 1861 and 1862 he had to spend a long time at Loèche-les-Bains in Switzerland to take the cure. Hartlieb, the new manager, had taken Trittler's place as Blanc's confidential man and sent him daily reports, as his predecessor had done. But if Blanc was not always in Homburg, his wife was, and in his absence began to take charge of his interests more and more, thus considerably lightening his task.

But the memory of Garcia still lay like a threatening cloud on the horizon, and on the 22nd of October, 1861, he did in fact appear once more in

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Homburg. But his palmy days were over; he had brought only thirteen thousand francs with him, and before twenty minutes were past, he had lost every one. A few hours later he returned to the rooms with a cheque for ten thousand francs given him by a Paris banker, but that, too, he lost. Luckily for Garcia, Anton Rubenstein, the celebrated pianist, whom Blanc had engaged to give some concerts, happened to be in Homburg; like Paganini, he was a great gambler and the large sums which he earned by his talent were promptly risked at the tables. Some time before this Garcia had lent him twenty thousand francs, so when the Spaniard came to the end of his resources, he sent his sister-in-law to the composer, who actually returned him the money. Like all gamblers, Garcia was superstitious. He was sure this money would bring him luck, and so he staked the whole sum on an even chance; he won, staked the maximum, won again, and suddenly found himself the possessor of a hundred and twenty-nine thousand francs, whereas a moment before he would have found it hard to pay for a glass of wine in the restaurant. But he could not rest content with this. He returned to the tables and lost all he had won, together with three quarters of the sum returned him by Rubenstein.

Garcia's defeat had restored Blanc's confidence, for it confirmed what he had always maintained: that the apparently lucky player was really the unlucky one, for he could never believe that luck

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would abandon him, and was therefore unable to tear himself away from the tables. Prince Bonaparte had been one of the few considerable winners who had never returned to Homburg to lose all he had previously won there. Blanc authorized Hartlieb to call upon him for a million francs at three days' sight, "in case such a sum might be necessary to defend ourselves against Monsieur Garcia. . . . Should Garcia return," he added, "and lose the money he won from us; and should he make a scene and be a nuisance, ask the commissioners to remonstrate with him severely, and threaten to expel him from the casino; on no account must you tolerate such behaviour."

Blanc was a good correspondent, so not much that happened in Homburg escaped his notice. It would, however, have been better for his interests if he could have remained on the spot. A regular plot was being hatched against him, in which all those who were jealous of his authority or had been dismissed from his service took part. They hoped to deprive him of his executive control of the business, or at least to saddle him with a committee of shareholders, which would have the right to veto his decisions. The plan of campaign was soon worked out, and on the 5th March, 1862, the attack began.

Three shareholders sent a memorial to both the Landgrave's Government and the legal authorities of Homburg, having as its object "the suppression

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of various abuses in the management of the spa of Homburg." The Landgrave was not unmoved by their representations, and insisted upon the immediate summoning of an extraordinary general meeting. The shareholders were to choose three representatives to examine into the charges of irregularities in the management of the company and report the result at the next ordinary general meeting of shareholders. This was accordingly done, and the Landgrave further ordered his Government to institute a thorough enquiry.

These attacks exasperated Blanc to the highest pitch. He suddenly realized the danger of the plot against him, and resolved, in preparation for the next general meeting, to mobilize all the shareholders who were in any way under obligations to him. He had no difficulty in securing a majority, for he was by far the largest shareholder, controlling nearly thirty thousand out of the forty-two thousand shares, if we include those owned by his brother's widow; while he could count upon the support of most of those holding the rest of the shares. He therefore arrived at the ordinary general meeting in readiness for the fray. Moreover, the Landgrave's Government was anxious to avoid a scandal, which would have been harmful to the interests of the whole country as well as to its Prince's reputation; besides which, it was as loath to lose the revenue accruing from the casino as the shareholders were to lose their dividends. Nobody was really anxious

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to take steps which might deprive Homburg of the prosperity due to the casino. The meeting therefore confined itself to adopting a few resolutions remedying minor abuses, and re-electing François Blanc as managing director. The Government had demanded that in future it should have the right to appoint auditors, not only to examine the accounts but also to review the whole financial policy of the directors. This Blanc conceded for the sake of peace; but he at once moved that the three auditors, who were to be chosen from among the government commissioners, should have their salaries doubled; he hoped in this way to give them a strong interest in keeping their posts, so that they might tend to perform their new duties with a certain amount of indulgence.

Blanc was next attacked from yet another quarter. During the autumn of 1862 a Frankfort paper called *Der Volksfreund für das mittlere Deutschland* (The People's Friend for Central Germany), published a so-called "documentary history of the Homburg gambling hell," purporting to contain sensational revelations, but probably intended as an attempt at blackmail, and likely to appeal to all those who envied Blanc his wealth and success. His fortune was now generally estimated at twenty million francs at least, which was probably fairly correct. Envy dogged his footsteps. By some it was even considered discreditable to him that, thanks to conversion and other operations, he had acquired

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his shares for thirty-five gulden apiece, whereas others had had to pay two hundred and fifty gulden, or even more. People recalled the very modest fortune with which he had first come to Homburg (which we now know to have amounted to no more than 200,000 gulden), and this was contrasted with the vast wealth which he had since acquired in less than twenty years.

These attacks had their effect upon the aged Landgrave, who had never taken kindly to the casino, and would gladly have seen the disappearance of this ill-omened gambling establishment; for, though he had perforce to admit that it had brought prosperity to his country and replenished both his own treasury and the coffers of his subjects, it was now exposing him to such hostility, and even contempt, that its continued existence was odious to him.

It was accordingly decided to place serious restrictions upon the powers of the concessionaire, to ensure strict supervision, and reserve to the Government a decisive voice in the disposal of the profits. A new agreement was drafted and communicated to Blanc, who was already exasperated by recent attacks, and was now still more annoyed. So it was not enough, he thought, that he should be pursued by the hatred and envy of his enemies; he had now to face the hostility of that very Government whose financial difficulties he had relieved, only to be met with the basest ingratitude. Within

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twenty years he had transformed the miserable, poverty-stricken little town into a flourishing and world-famous spa; thanks to him, and to him alone, the inhabitants of Homburg, not excepting the Landgrave and his court, who had been so miserably poor before, now enjoyed ample prosperity. And they requited all this by trying to rob him of the fruits of his labours!

In order to gain time, he declared that he could not enter into any fresh agreement without the consent of his shareholders. A general meeting was called, and met on the 15th September, 1862, at which the Government proposals were defeated by a majority of a hundred and nine votes.

Blanc was keenly conscious of the strength of the Government's position and the weakness of his own, and decided that he would be wiser to avoid a contest in which he would not have the decisive voice. He accordingly resolved to come to terms, the Government in turn modifying its claims, most of which Blanc now conceded. A new contract was eventually signed, containing various fresh conditions with which Blanc was not altogether dissatisfied. At the next general meeting of shareholders on the 20th September, it was accepted unanimously; and peace was at last concluded with the Government.

Yet the events of these agitated months left François Blanc with a sense of disillusionment. His impression was that the Landgrave's Government

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was trying to exploit him, and that its demands increased with every fresh concession he made.

"You are well aware," he wrote about this time, "that everybody in Homburg is possessed by a single idea: that of exploiting the company. We have to be constantly on the defensive." This latent hostility and these perpetual intrigues prevented him from feeling quite at ease in Homburg. He had undoubtedly made a great deal of money, and knew that he would make more, as was proved by the Company's net profits, which had risen steadily from about two hundred and fifty thousand gulden in 1842-43 to almost one and a half million gulden in 1862. But money was not everything; against it he had to set off the surroundings, the people, the conditions of life in this Germanic atmosphere and the attitude of the Government. He would have liked a similar business, run under more congenial conditions, in a place where he was not continually threatened with Government interference. He was now an exceedingly rich man, and he longed for an enterprise worthy of him. In this frame of mind he entered upon the year 1863, which was to mark the beginning of a new phase in his existence.

CHAPTER IX

RISE AND DECLINE OF MONACO

The example of Homburg arouses envy in Monaco—The castle on the cliffs—Les Spélugues—Origin of the name of Monaco—Roman times—Genoa, Guelfs and Ghibellines—The Grimaldi settle in Monaco—Spanish and French protectorates—The Louis XIV of the Principality—His art collections and treasures—The French Revolution destroys the power and fortune of the Grimaldi—Napoleon and Monaco—The Restoration—Prince and Principality poverty-stricken—Miserable condition of the people—Mentone and Roquebrune secede.

HOMBURG was at the height of its glory. The amazing success of the casinos in the Rhineland had been rapidly overshadowed by their youngest rival. Yet rumour exaggerated even this success. As early as 1850 it was already being said that a perfect rain of gold was descending upon the fortunate subjects of the Landgrave of Hesse-Homburg, that the shareholders were growing richer and richer, and that the reigning house, formerly almost in a state of penury, now enjoyed increasing wealth and power. These fables suggested to other poverty-stricken principalities that they might imitate the little state in the Rhineland and divert some of its streams of gold into their own coffers.

On the Côte d'Azur, that glorious land of blue skies and bluer seas, various attempts of this kind

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had already been made. As we have seen, the project of building a casino in Nice came to nothing owing to the attitude of the Sardinian Government, and it appeared unlikely that gambling would ever be allowed in Savoy or Nice, which at that time belonged to Sardinia. There was only one other alternative to be reckoned with: the little Principality of Monaco, which, though since 1816 under the nominal protection of Sardinia, had always maintained its sovereignty and independence.

The tiny State of Monaco, comprising at that time only 21·6 square kilometres, and having a population of only seven thousand four hundred, was even smaller than Hesse-Homburg; yet its situation on the shores of the Mediterranean was one of the most beautiful in Europe, and it possessed a mild and pleasant winter climate. Its little natural harbour was protected from the sea on one side by great, picturesque cliffs and on the other by a mountainous peninsula called "Les Spélugues."

This harbour had played a great part in the history of Monaco, for, though moribund since the French Revolution, the little State had had a brilliant past.

We have to go back to before the beginnings of history to find the first inhabitants of Monaco. As early as the Stone Age there was a settlement there, the inhabitants making their homes in the caves overlooking the sea; for the name of this peninsula,

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“Les Spélugues,” is derived from the Latin *spelunca* (a cavern). At a later date the place was occupied by the Phœnicians during their voyages of discovery round the Mediterranean, and a temple was erected there to Melkart or Menouakh, god of the sun and of all living things. Here, too, they set up some of those columns which bear witness to their domination along the whole Mediterranean coast. The Greeks identified the Phœnician God with Hercules, to whom they consecrated the temple, calling the place the port of Hercules Monoecus, from whence comes the name of Monaco.¹ According to a legend, it was here that Hercules performed one of his twelve labours and carried off the golden apples from the dragon-defended garden of the Hesperides. The present-day inhabitants of Monaco maintain that these golden apples were merely oranges and that Hebe, the spouse of Hercules, is a symbol of the everlasting Spring which reigned and still reigns on that favoured coast.

In Roman times Monaco became of great strategic importance, for it lay on both the sea and the land routes between Iberia and Gaul. It was there that Caesar embarked for his campaign against Pompey, and in the year 7 B.C. a gigantic statue of Augustus, twenty-two feet in height, was

¹ The Orientalist Mathieu considers, on the other hand, that the Ligurian Celts, whose place-names were often derived from some natural feature, formed the name of Monaco from the Celtic word *mon*, meaning a house, and *ak*, a point. Monaco would thus mean “the house on the point.”

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erected on the heights of La Turbie, above Monte Carlo, to commemorate his final victory over the Gauls.

This monument, with many others, was destroyed by the invading hordes of the Vandals, Goths and Lombards, and afterwards by the Saracens who crossed over from Africa; after which Monaco sank into obscurity.

It is first heard of again in the twelfth century, when the Emperor Henry VI presented it to the republic of Genoa, on condition that a fortress should be built there to help him in his wars against the Counts of Provence. The fortress and castle were built in the thirteenth century, on the spot where the palace of the reigning Prince stands to-day, and its walls enclosed the whole area upon which the town of Monaco was afterwards built. From this time onward the fate of Monaco was closely bound up with that of Genoa, where violent struggles went on between the powerful patrician families, Guelf and Ghibelline triumphing in turn. In 1270 the Guelf party was overthrown and two important families, the Fieschi and the Grimaldi, were banished from Genoa. They fled to Monaco, where Francesco Grimaldi, disguised as a monk, succeeded in entering the fortress and opening the doors to his friends, who soon drove out the small garrison. Since that time the arms of the Grimaldi have borne two armed monks, and, except during one or two short intervals, the fate of

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Monaco has been closely associated with that of this family.

Since Monaco could easily be defended against such means of attack as existed at that time, its position on the route from Italy into France, dominating a natural harbour, made it a fortress of first-rate strategic importance. Hence in times of war the reigning prince could turn his geographical situation to advantage by offering his fortress to whichever side seemed best able to protect him. When Spain rose to the height of its power under Charles V, it established a protectorate over Monaco which lasted until 1641. Under Louis XIII and Louis XIV, France became the most powerful country in Europe, and Monaco passed under its protection. The command of this strategic position made it worth France's while to recognize the Prince's sovereignty, and to give him a splendid reception at the French court.

Thus till the fall of Napoleon Monaco's history became bound up with that of France. A brilliant period ensued. Prince Honoré II, who reigned from 1604 to 1662, was the Louis XIV of his little State. Intelligent and a lover of beauty, he brought together in his palace on the cliffs a splendid collection of works of art, and founded a picture gallery containing paintings by the greatest artists of the Renaissance.

The Grimaldi were now extremely rich, owning great estates in France, and even in the heart of

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Paris. Advantageous marriages had still further increased their wealth and prestige, till it could truthfully be said that their riches and position were now as great as their country was small.

The French Revolution put an end to this prosperity. The reigning Prince was deposed, his possessions were confiscated, and his palace was pillaged. The art collections were scattered to the four winds, stolen or auctioned at ridiculous prices. The Principality was annexed to France, Honoré III's family, who had remained in France, imprisoned, and the wife of Joseph of Monaco guillotined. Before ascending the scaffold, she sent a letter to her executioner which she signed as follows: "A foreign princess who dies by the injustice of French judges."

The palace at Monaco was used first as a hospital and later as a workhouse. Soon its last glories disappeared and it sank into neglect; nothing was saved except the archives, which interested nobody, and the few pictures which served to decorate the office of the hospital officials. When Napoleon rose to power, the Grimaldi were among those who rallied to him in the hope of regaining what they had lost. Joseph Grimaldi entered the Imperial Guard and became a chamberlain to the Empress Josephine. He was on intimate terms with Talleyrand, and succeeded in obtaining an enviable position at the Imperial court, his nephew, young Gabriel Honoré, son of the former reigning prince, becoming one of the Emperor's equerries. Yet it was not till after the

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fall of Napoleon that the Grimaldi recovered their sovereign rights. It was Talleyrand who did them a good turn at the Congress of Vienna, by check-mating Sardinia's schemes for acquiring all the territories formerly belonging to the Genoese Republic.

Meanwhile, Gabriel Honoré was charged by his father with the exercise of his sovereign powers in Monaco. As chance would have it, this prince, afterwards Honoré V, met Napoleon on the 1st March, 1815, just after his return from Elba. On exchanging enquiries about their destination both sovereigns could reply that they were about to return to their own States. No political importance was attributed to this meeting; yet, thanks to the policy of Sardinia and Metternich's distrust of the former relations between the Grimaldi and Napoleon, it in some degree contributed towards the decision to place Monaco under Sardinian protection after 1815 instead of under that of France. Sardinia was, however, obliged formally to recognize the sovereign rights of the reigning prince, a fact which proved of special importance in the light of coming events.

Like so many other princes who were restored to their thrones after the revolutionary period, Honoré V made the great mistake of trying to re-establish everything as it had been before 1789. He showed strong reactionary tendencies, and tried to govern as if nothing had happened during his twenty years

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of absence. Not only were he and his family completely ruined, but his subjects had been reduced to such poverty by the revolution, that a popular rhyme composed in those days graphically expresses their sorry state.

Son Monaco sopra uno scoglio,
Non semino e non raccoglio;
Ma pur mangiar voglio.¹

The oppressive taxes introduced by the Prince, who went so far as to make flour and bread a State monopoly, were bitterly resented by his subjects, especially in Mentone and Roquebrune, where a secessionist movement was set on foot with the object of union with Sardinia.

On the death of Honoré V in 1841, he was succeeded by Florestan I, and the people of Monaco began to hope for better things.

The new sovereign had been an actor during the revolution and for several years afterwards, and had renounced his title and married a commoner.²

It was expected that he would introduce a more popular form of government; but his task was no easy one. He had to come to the relief of his discon-

¹ I am Monaco upon a rock,
I neither sow nor reap;
But all the same I want to eat.

² Marie Louise Charlotte Gilbert de Lametz (the de Lametz appears for the first time in the marriage registers) was born in Paris in 1793, married Florestan of Monaco on the 13th September, 1816, and died on the 23rd November, 1879.

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tented subjects and reduce the heavy taxation under which they groaned, while at the same time reckoning with their pronounced taste for revolutionary intrigue. The land had few resources. Except for fishing and the growing of flowers and oranges, it provided but small means of earning a livelihood. Nor was Prince Florestan a very able ruler; but he was admirably seconded by his wife, a woman of extraordinary energy and unusual intelligence.

At first, however, she too was at a loss how to lighten the burden of taxation that weighed on the people without disorganizing the whole revenue of the State. How could the monopolies be abolished when there were no other sources of revenue to take their place? Hence the early days of the reign were not very happy. Such miracles had been expected of the new sovereign that his new subjects were disappointed and their confidence in him was shaken. The desire for secession, carefully fomented by Sardinia, increased still more when, during the revolution of 1848, the Sardinian king was seen to favour liberal tendencies, and prepared to fight for the freedom of Italy. Sardinia desired to annex the Principality, basing its claims on the demonstrations at Mentone and Roquebrune, which had proclaimed the deposition of the Grimaldi dynasty and constituted themselves "free cities" under the protection of Sardinia.

But Sardinia had to reckon with France, which refused to permit such an annexation. Mentone

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and Roquebrune remained "free cities" in name, though occupied by Sardinian garrisons, for Florestan I possessed no armed forces, and had to be content with recording a protest. For the moment the question remained in suspense, and it was not finally settled till after the war of 1859.

Meanwhile, the Prince was constantly seeking some way of improving his people's lot and restoring the fortunes of his House. He could not resign himself to his position, which was indeed an unenviable one. Surely, he thought, there must be some use to which he could turn his rocky domains.

CHAPTER X

FAILURE OF BLANC'S THREE RIVALS

Projects for the assistance of Monaco—Failure of new industries—Monaco as a health-resort—A clever and energetic woman: the Princess Caroline—Her shrewd adviser—Enterprise of the heir-apparent—Blanc checkmates his competitors—Parisian journalists attempt to obtain a concession—Langlois, Aubert and their contract—A company is founded—Langlois's unstable character—The schedule of conditions—A speculative venture fails for lack of capital—The first casino—Cheap building-sites and an optimistic prospectus—Gambling-tables without gamblers—Everything remains to be done—Failure of Langlois—Lack of capital paralyses the enterprise—Daval takes it over but also fails—Debts and disaster—The third company: Lefèvre—Consequences of the war of 1859

THE idea of turning Monaco into a spa, after the pattern of Baden-Baden, had been discussed before now, during the reign of the stern and reactionary Honoré V. To quote the words of the memorial presented to the Prince: "Thanks to its splendid situation and wonderful climate, the Principality of Monaco should attract numerous visitors. It would become the refuge of large numbers of invalids, if only they could find there comfortable accommodation and good cooking, with some of those distractions which the foreigner expects to find when he takes a holiday abroad. Such an establishment would indubitably be as profitable to its founders as to the country in general."

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But Honoré V shrank from the difficulties of such an enterprise. His successor Florestan I and his wife, determined to do anything that might rescue Monaco from its unhappy state, first tried another expedient, and endeavoured to encourage various industries in their little domains. The first experiment consisted in the distillation of alcohol from the roots of a plant which grew extensively in Monaco; next flower-growing, lace-making and the manufacture of perfumes were attempted. But unfortunately none of these efforts met with much success, and the economic situation of the Monégasques, as the people of Monaco are called, was not greatly improved. But the Princess refused to be discouraged. She was, moreover, supported by a wise adviser, the Parisian lawyer A. Eynaud, whose acquaintance she had made quite casually, through his becoming the tenant of a house belonging to her. She made up her mind to try everything rather than give in.

In 1854 the plan was mooted of forming a finance company, to be known as the *Société de crédit de la région méditerranée*, with a capital of two million francs, for the purpose of building a bathing establishment, a sanatorium and some villas, as well as a casino for visitors to the town. But it proved impossible to raise the requisite capital, and the scheme had to be dropped. As had happened before at Homburg, however, the idea, once suggested, could not be forgotten.



The Principality of Monaco in the Mid-Fifties

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Some citizens of Nice now came forward with an offer to build a casino, pointing to the success of the spas in Belgium and the Rhineland, to which a rich and distinguished clientèle had brought such prosperity. But on investigation it was found that these schemes had no more financial backing than those previously mentioned.

Nevertheless, the Princess Caroline was now convinced that the scheme for a casino in Monaco was a sound one and sent Eynaud, her confidential man of affairs, to Baden-Baden to find out under what conditions the Grand Duke had granted a concession to Bénazet, the director of the casino, and what rights of control were reserved by the Government. Eynaud learnt that the Grand Duke's annual revenue from this source amounted to the huge sum of three hundred and fifty thousand francs. "But," he wrote, "the Grand Duke considers this only one among the advantages accruing to his treasury from the existence of the casino, for more than two hundred thousand people visit the duchy annually, and spend money there like water. The Principality can obviously not count upon such prosperity as that, but it would undoubtedly prove a considerable source of revenue."

Eynaud advised the Princess to have a schedule of conditions (*cahier de charges*) drawn up, which should set forth explicitly exactly what obligations had been assumed by the concessionaire. "The bathing establishment," he wrote, "should in a

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sense act as a façade for the gambling establishment. . . . It seems to me that such an enterprise would be of the greatest benefit to the general interest, as well as to that of Your Highness."

Such was the position of affairs when a political event occurred to distract the attention of Monaco. The heir-apparent, Prince Charles, at that time a young man of thirty-six, had never reconciled himself to the loss of the greater part of the Principality, that is to say, Mentone and Roquebrune. Energetic, clever, handsome and imposing, he had spent his youth amid the pleasures of Paris; but as his father grew old and infirm, the Prince's ambitions increased, and he did not hesitate to take personal action with the object of regaining the territory of his ancestors. On the 6th April, 1854, he tried to organize a demonstration in the two "free cities" against the Sardinian Government and in favour of a return to the house of Grimaldi. But he and his chief followers were promptly arrested by the Sardinian troops and police and imprisoned at Nice.

Even had Monaco been under French protection, the Prince would not have been able to count upon a friendly attitude on the part of the Imperial Government, which looked with an unfavourable eye upon any territorial changes in that region, for it was already cherishing hopes of acquiring Savoy and Nice. However, by using his influence with Cavour, Napoleon III succeeded in obtaining the Prince's liberation. Thus the two towns remained

in their ambiguous position of being nominally free, but in reality garrisoned by Sardinia.

Monaco could now indulge once more in dreams of a casino. The latest proposal to form a company was put forward by a certain Monsieur Ydou, among whose supporters was the famous Italian patriot, Nino Bixio, afterwards to win undying glory in 1859 and 1860 as a general in the Garibaldian forces. This group now decided to consult a specialist, and picked on no less a person than François Blanc. But Blanc was naturally unsympathetic towards possible competition, and painted the prospects of such an enterprise in the blackest colours, with the result that Bixio and his friends lost confidence and withdrew. In Nice, too, intrigues against this scheme had been rife, and these were attributed by Charles to the machinations of Blanc. This, however, was not the case; Blanc had merely been kept informed of the progress of the scheme by his agents in Nice.

In spite of these disappointments, the reigning family was more than ever determined to realise its great project. Eynaud did all he could to further it, and in March, 1855, suggested that the establishment should not be called a casino, but described as the *Bains de mer de Monaco*, so that gambling should appear to be only a side-show, though in reality the main object of the scheme. Hence his suggestion that the paragraphs concerning the gambling-tables should come at the end of any deed in which the concession might be embodied.

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Soon more rivals appeared, amongst them one Napoléon Langlois, a Parisian business man who was Napoleonic only in name, and the journalist Albert Aubert, who wrote for *Charivari*, the well-known paper, famous for the drawings of Daumier, and at that time engaged in bitter attacks on the bourgeois monarchy. Neither of them had any idea what was involved in the management of such an establishment, or any experience of running a big concern; but for a time their enthusiasm made an impression on the Princess Caroline. They bombarded her with letters describing their plans in the most glowing terms, and when she received them in Paris they talked for hours of the villas and hotels which they were prepared to build, and the energy with which they would set to work. They were quite undaunted by the entirely undeveloped state of Monaco, and were eager to start at once, having already chosen a site for the casino. They at once fell in with the Princess's desire that it should be outside Monaco, and as far from the palace as possible. "The engine that works Monsieur Langlois's brain," wrote Eynaud, "is getting up steam and he seems at work on this business day and night."

The negotiations were, however, hampered by the fear of Sardinian intervention. Eynaud, who had been officially empowered to negotiate a concession since January, 1856, kept harping on this point in his letters: no opportunity, he insisted,

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should be lost of asserting the independence and sovereignty of Monaco, for so long as there was any doubt about this, no definite results could be expected. "I implore you, Monsieur le Duc," he wrote to Prince Charles (who, as heir-apparent, bore the title of Duke of Valentinois), "to get rid of the protection of Sardinia; you will find it a constant trammel and embarrassment. You will be ten times more respected with a few gendarmes at the doors of your palace than with a whole regiment of Piedmontese guards, who would justly be regarded as your gaolers. You see the results of this protection in the matter of the casino. Nobody dares to come to terms."

It was useless for Eynaud to remind prospective concessionaries of the convention with Sardinia, which expressly guaranteed the sovereign independence of Monaco; all they replied was that Sardinia had not bothered about the treaty when she annexed Mentone and Roquebrune, and might well abuse her position by prohibiting in Monaco what she had forbidden in Nice. It was evident that Turin would look askance at the erection of a casino in the Principality.

In these circumstances it was not easy to find financiers to risk their capital in such a dubious venture. The enthusiasm of even Messieurs Langlois and Aubert flagged and they began to waver. "Langlois's changeable and excitable nature," wrote Eynaud, "robs him of the power of consecutive

thought." Four times he made appointments with Eynaud which he failed to keep. Then suddenly he appeared again, devoured by a feverish desire for activity. Such instability appeared to Eynaud extremely dangerous, and he wrote warning letters to the Prince.

Yet though nothing was known about Langlois's financial position, negotiations still went on, for at the moment nobody else seemed willing to take the matter up seriously; and finally an agreement was reached.

On the 26th April, 1856, Prince Florestan I granted Messieurs Langlois and Aubert an exclusive concession for a term of twenty-five years, dating from 1st May, 1856, for the construction, on the territory of the Principality, of an establishment to be known as the *Bains de Monaco*, enjoying the same privileges as similar institutions at Baden-Baden, etc. This was one of Florestan I's last official acts, for he died on the 26th June. But his wife and son had been the prime movers in the scheme, and it was they who were to bring it to fruition.

The independent sovereignty of the Prince was expressly referred to in the contract in the following terms: "The Prince of Monaco is a sovereign Prince by virtue of the treaties of 1815, and the convention placing Monaco under the protection of Sardinia (1817) guarantees his internal sovereignty beyond all dispute. . . ." But the fact that it was felt desirable to make special reference to it was a

fairly obvious sign of the doubts that were felt as to the validity of these guarantees. The concessionaires, who assumed all risks connected with the enterprise, bound themselves to set to work at once on the construction of a large hotel and villas, to lay out gardens, and to establish an omnibus service between Nice and Monaco. The place was to be open all the year round, for the marvellous climate permitted the season to continue indefinitely.

But the most vital point, both to the concessionaires and to the Prince himself, was contained in Article 13, which ran as follows: "The concessionaires are authorized to provide amusements of every kind, and notably balls, concerts, fêtes, games such as whist, écarté, piquet, faro, boston and reversi, as well as roulette with either one or two zeros, and *trente-et-quarante* with the *refait* or *demi-refait*, at the discretion of the concessionaires, the whole being subject to the supervision of one or more inspectors or commissioners appointed by H.S.H." At the end of two years, part of the net profits was to be paid into the treasury of the Prince of Monaco. The capital of the company was to amount on paper to three million francs, divided into six thousand shares. Of the two concessionaires Langlois alone had any money, and that only two hundred thousand francs, most of which he had borrowed. A third of the shares was allotted for a nominal consideration; Langlois and Aubert made a firm offer for the second third, each undertaking

to take half and pay into the company's funds a sum representing their nominal value. The balance of them were taken up by other members of the company which they had succeeded in forming. But the whole thing was a pure fiction, for the company's funds never received a single penny.

Langlois and Aubert once more had recourse to the Government's good offices with a view to purchasing a hundred thousand square metres of land on the Spélugues, on the very spot where the casino stands to-day, at the ridiculous price of twenty-two centimes the square metre. Having thus established their enterprise on an apparently solid basis, their one idea was to get the gaming-tables started. As for the bathing establishment, hotels, streets and communications with Nice, these were simply ignored. Since the Princess Caroline did not want the gambling-rooms to be in Monaco itself, a sort of villa was acquired quite near the harbour, known as the Villa Bellevue. It was furnished in a rough and ready fashion, but the moment the tables were set going, a highflown prospectus was distributed broadcast in the hope of attracting possible shareholders. It explained how in the previous year Sardinia had closed the casino at Aix and prohibited the opening of one at Nice; so that the new company in Monaco would have no competitors in the whole of southern Europe. The winter season which was, as a rule, indifferently successful elsewhere, would attract numerous visitors here on

account of the mild climate. The prospectus pointed out that during the last four years no less than 1,032 out of 1,460 days had been cloudless and sunny.

"The company," continued this exaggerated advertisement, which, it must be confessed, took considerable liberties with the truth, "has already found premises virtually in readiness for it, in a large and beautiful villa commanding a magnificent view of the harbour, and surrounded by a wonderful garden containing 2,500 lemon and 2,000 orange trees, as well as a large olive-grove. A splendid mansion opposite the palace, belonging to His Highness the Prince of Monaco, has been placed at the disposal of the company. Finally, it has acquired the extensive tract of land overlooking the harbour, comprising 100,000 metres and known as "Les Spélugues," where a whole town of small villas in the English style could be built, complete with orange, olive, and lemon groves. This land can be bought at public auction for about 30 centimes a square metre, while that on the other side of the harbour is already worth more than ten francs the metre." Reference was then made to the huge financial success of other spas, especially that of Homburg, with its annual profits of two millions, and to the development of the tourist trade of Nice, which was four times as large as it had been twenty years before. "Monaco," the prospectus continued, "has the same advantages of climate and natural

beauty, with the added attraction of the casino and the various amusements which it will offer, including gambling. For this reason the town should very soon find residents."

Blanc had been powerless to prevent the Monaco concession from going through. In spite of his prophecy that it could not be a success, he was still rather uneasy, and read the prospectus issued by the new company with very mixed feelings. He at once instituted enquiries in Paris concerning the financial status of the two concessionaires; and what he learnt was extremely reassuring to him. Yet, for all that, he remembered that he too had come to Homburg with a very modest capital, and had none the less succeeded beyond his wildest hopes in a place enjoying none of the natural advantages of Monaco. He accordingly watched the course of events carefully, to see whether these people knew their business. He would leave them to pull the chestnuts out of the fire, and still have time enough to intervene at a later stage.

By Eynaud's wise advice, the Prince of Monaco had from the first insisted that, in the interests of the public, his own honour and his country's reputation, the tables should be subject to strict supervision. He attached all the more importance to this because he was apprehensive of newspaper attacks, especially from that section of the press which was bound by interest to the cause of the German spas, with their handsome advertisements. With a few

exceptions, however, they had so far displayed no particular antagonism.

"I am astonished," wrote Eynaud to the Prince in December, 1856, "to see that, of all the French papers, only *L'Illustration* has indulged in hostile criticisms. Success and increasing numbers of visitors will certainly lead to more serious attacks in the future. It is impossible to muzzle the whole press; the newspapers pocket their bribes, but in their thirst for copy, they often do not spare even their best friends."

On the 14th December, 1856, the Villa Bellevue was opened to the public; but it was hurriedly and scantily furnished, and in no way fitted for its purpose. In spite of all that had been promised, the immediate vicinity of the villa was in a more or less wild state; even the entrance was not yet finished, and the chief commissioner, responsible for the supervision of the tables, Monsieur Henri de Payan, was compelled to ask the directors of the company to have everything cleared away from the vicinity of the casino "that might offend the eyes or nose." The two biggest rooms in the villa contained tables for roulette and *trente-et-quarante*. The reserves at the disposal of the bank for each table were extremely modest, and the maximum stake was fixed at the comparatively low sum of three thousand francs.

Yet but few gamblers appeared. A humorous paper of the period contained a drawing which shows the croupiers scanning the horizon through

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telescopes from the top of the cliffs at Monaco in search of possible players. The natives of the place were not allowed to play, and visitors could not get there from Nice for lack of proper transport facilities.

In their haste to set the tables going Langlois and Aubert had, in fact, completely overlooked the necessity for opening up communications between Monaco and the neighbouring towns. An uncomfortable and antediluvian vehicle, graced by the name of omnibus and carrying only eleven passengers, made the journey between Nice and Monaco once a day; and even this could not be relied upon. On some days, for no apparent reason, it did not run at all. The road along which it ran—the famous Corniche—though undoubtedly picturesque, with splendid views out to sea, was winding and tortuous, and far from safe. Started by Napoleon I to facilitate communication between Nice, Monaco and Mentone and provide for the transport of troops from France to Italy, it had been completed in 1806; but since then it had been completely neglected and the diligence jolted over the roots of trees and boulders which had fallen down on the road. The journey lasted more than four hours, at the end of which the postillion would show his passengers two little houses, one of which was the casino, and the other the hotel, though it had no sleeping accommodation and only provided meals. The only place where it was possible to stay was the Hotel de Russie in Monaco itself, which had

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a few small and comfortless rooms. Thus it was almost impossible to spend the night in Monaco, and at six o'clock in the evening visitors from Nice were obliged to start on their return journey, made still more dangerous by the darkness. Communications by sea were equally poor, there was no regular service, only an extremely unsafe-looking steamer, which plied erratically between Nice and Monaco; and this was not much used, for the Sardinian Government raised passport difficulties for those who chose the sea route. Sometimes, too, for weeks on end the steamer was alleged to be under repair, and there would be no communication at all by sea between Nice and Monaco.

It can well be imagined that play at the tables in such conditions brought in but little profit. Between the 15th December, 1856, the opening day, and the following 15th February the bank won 41,776 francs. But the sordid side of such an establishment was soon apparent. Swindlers of every kind arrived at Monaco, one of whom passed some forged banknotes and went on playing for a long time before the fraud was discovered. On the 24th January it was found that someone had tampered with the roulette cylinder, either with the object of cheating the company or of casting suspicion upon the directors. After this the roulette wheel had to be carefully examined in the presence of the government inspectors at the close of play and before it opened again. The Prince had been quite right

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to insist that the concessionaires and their employees should be under strict supervision.

The bank's greatest loss was one of 7,101 francs on the 3rd February, 1857, and its greatest win, one of 15,958 francs on the 22nd January. One bad day was enough to make the management and its employees shake in their shoes; for the financial resources of the company were so weak that a single lucky winner might have been their undoing. Moreover, the furnishing of the Villa Bellevue and the salaries of the staff were a heavy expense; and no attempt was made to start building the splendid bathing-establishments, the hotels and all the other marvels which were provided for by the schedule of conditions. A company with a nominal capital of several million francs had indeed been founded, but this was a mere sham, and the few shares allotted had never been paid for. Even Langlois and Aubert had not paid for more than half their shares, while the rest of those to whom shares had been allotted had paid nothing at all. Including its profits, the company had at the outside a quarter of a million francs at its disposal, which was hardly enough to meet current expenses. The two concessionaires had reckoned that, once the company was floated, the shares would find a ready sale; but when their hopes failed to materialize, they were soon at the end of their resources.¹

¹ Out of 2,000 shares, with a nominal value of 1,000,000 francs, only 417 had been taken off their hands, mainly by Langlois, producing a total of 208,565 francs. Aubert only paid for a small portion of them.

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By the 4th March, 1857, Langlois had to pluck up courage to reveal his plight to the Prince, and ask him for financial aid to set the company on its feet. He requested an audience of Prince Charles for the purpose of explaining to him the dangers of a liquidation, "which must at all costs be avoided for everybody's sake."

"If the company were to pass into other hands," he wrote, "M. Aubert and the others who have taken up shares so far would have to be paid back, and this has become impossible. An appalling scandal is likely to ensue, which many will be interested in fomenting, and the consequences of which will be incalculable." And he had to admit that the shares so far taken up amounted to barely 208,000 francs.

Prince Charles now saw, to his consternation, that these people in whose exaggerated promises he had believed were mere speculators, whose resources were altogether inadequate, and who had been gambling on the chances of a successful flotation. But he resolved to see the matter through and hold the company to the fulfilment of the schedule of conditions, and, should this prove impossible, not to shrink from using the weapons which the contract placed in his hands.

Money was running so short that it was found necessary to reduce the bank's reserves at the *trente-et-quarante* table to ten thousand francs, and at the roulette table to five thousand. The prospects of

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gambling being correspondingly reduced, soon the few players who were in the habit of visiting the casino stayed away. Yet in spite of these unfavourable conditions, when the accounts were made up on the 31st March, it was found that the casino had made a profit of fifty-four thousand francs; out of a hundred and eight days' play the bank had lost on thirty-two but won on seventy-three, the advantage being even on the remaining three. Though, however, this showed what a sound speculation a casino might be if started on a more satisfactory basis, Langlois and Aubert were sinking deeper and deeper in the mire.

The government commissioner demanded in vain to inspect the books, the employees received no wages, and prospects were equally depressing in the gaming-rooms. "Between the 15th and the 20th March, 1857," wrote the government commissioner in his report, "only one visitor entered the casino, where he won two francs! On the 21st two more arrived, and lost two hundred and five francs." Again, on the 7th December, he said, "There is still the same dearth of players. Only two have appeared since the 30th of November, and they lost 640 francs." Or, a week later: "Though the rooms were opened for play fourteen times during the past week, it only took place five times, thanks to the neglect of all publicity and the lack of any communications with Nice." For days on end the croupiers sat waiting in vain for clients. The two concessionaires now had the bright idea of opening

another casino opposite the Prince's palace at Monaco, with the result that visitors to the Villa Bellevue fell off still more.

The time had now come to insist upon a clear explanation from Langlois and Aubert and try to rectify this deplorable state of affairs. There was a clause in the contract by which they might, with the consent of the Prince, transfer their concession "to a reputable person." Such a person they professed to have found in one Pierre Auguste Daval, a landed proprietor of Charente, whom they alleged to be a man of large means and worthy of the Prince's confidence. By the Prince's consent they sold him the whole concession, together with all the company's assets, for the sum of 1,208,000 francs, payable in shares in the new company, Daval undertaking to settle the most pressing debts. At a general meeting of shareholders on the 26th December, it was resolved to wind up the original company and transfer its assets to Daval, "a capitalist whose solvency is beyond question."

This reorganization had perhaps been sanctioned rather more hastily than was wise, but there was a general desire to put an end to the present deplorable state of affairs as quickly as possible. It was now discovered that a Jew named Abraham, whom Langlois had employed in hawking shares, had been guilty of a whole series of irregularities, and that the examining magistrate in Paris was already dealing with several complaints against him. Eynaud

was summoned before the magistrate and interrogated, and it was established that Langlois and Aubert had acted most irresponsibly in embarking on such an enterprise without sufficient capital. Thanks to Eynaud's efforts the scandal was hushed up and the matter settled without recourse to legal proceedings.

Everything now depended on Daval. Eynaud knew nothing about him, having taken no part in the negotiations, and been told nothing about the new agreement till it was already a *fait accompli*. He made enquiries about the new owner of the concession, but with no success. Daval seemed entirely unknown in the business world. "All I can do," declared Eynaud resignedly, "is to hope for the best."

The whole affair soon came to Blanc's ears, and the obscurity of this new competitor allayed his anxiety, for none knew better than he what outstanding qualities are required for the successful conduct of a gambling establishment. With secret and malicious joy he saw that his prophecy was coming true, and that others had failed to achieve at Monaco what he had done at Homburg. All the same, he followed the fortunes of the new company with keen interest. Twice before he had sent confidential emissaries to the casino, where they masqueraded as ordinary members of the public, while keeping their eyes well open, and reporting to him whatever they could see or hear. But he now sent

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Trittler to Monaco with instructions to ascertain the exact position of the company's affairs, and, if possible, to get into touch with Daval.

Trittler succeeded beyond his expectations, and won Daval's confidence to such an extent that the latter consulted him about his difficulties. It appeared that several of the croupiers had deserted after the failure of the old company, so that he had not enough left. Trittler naturally jumped at such a chance of placing spies in the enemy's camp, and Blanc immediately chose some of his most trusted employees at Homburg and sent them to Daval. From this time onwards, not unnaturally, he had the best information about all that took place in Monaco, and already foresaw that soon the time would come when he might gain control of the whole affair on his own terms. Trittler seconded his views with energy.

It soon turned out that Daval had no more money than his predecessors. Like them, he was trying to run the company with a purely fictitious capital, and was equally unsuccessful in attracting new shareholders. In an even shorter time than the two previous concessionaires, he had come to the end of his resources. He made no contribution to the Prince's treasury, he did nothing to improve communications with the outside world, and fulfilled none of the requirements specified in the schedule. On the 13th May, 1858, however, the foundation-stone of the new casino on Les Spélugues

was at last laid with great solemnity in the presence of the ten-year-old heir-apparent, Prince Albert. Once again the hopes of the sceptical were raised, but not for long, for at the beginning of August matters came to a most serious crisis.

The Government of the Principality had watched the collapse of the new company with growing dismay. They now sent Daval a sharp letter reminding him of the obligations specified in the schedule, and calling upon him to discharge them.

"His Highness," read the letter, "will not and cannot allow matters to go on as they are doing at present. The artists and employees have got to be paid and proper accounts to be kept." But these admonitions, as was to be expected, produced no effect, for Daval had no money and could not even pay his most pressing debts.

He went to Paris to try to raise money, and, after applying to several financiers, finally waited upon Blanc. But he could not grasp the fact that nobody would have anything to do with the company so long as he remained at the head of it, and all negotiations broke down on this point. "He is mad," Eynaud wrote to the Prince; "I have taken it upon myself to state that, after his repeated failures, his broken promises, and the general nuisance he has been, Your Highness would probably refuse to tolerate him any longer as director of the business. A man like him, who has discredited himself in every way, has become simply impossible."

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Prince Charles had been utterly deceived as to Daval's financial resources, as was evident on the 11th May, 1859, when the balance-sheet showed a deficit of no less than 1,262,000 francs. That was the end. Daval could not remain at his post a day longer. It was comparatively easy to get rid of him, for a company had just been formed in Paris which was keenly interested in the Monaco concession. The power behind the new company was the rich and respected Duc de Valmy, a grandson of the famous Marshal François Kellermann. The nominal head of the company was a certain François Lefèbvre, with whom were associated two other men. This time, again, no time was lost over the negotiations and on May 29th, 1859, the concession was transferred from Daval to Lefèbvre in person, in his capacity as chairman of the company, on very much the same terms as those on which it had passed into Daval's hands from Langlois and Aubert.

This time the concessionaires had more solid backing, and substantial sums were actually paid over before the agreement was signed. But even now they did not amount to more than a few hundred thousand francs, so that the financial basis of the affair was still quite inadequate.

The signing of the agreement in May, 1859, took place at a time of great political excitement. Cavour's adroit intrigues with Napoleon III, with a view to driving the Austrians out of Northern Italy, having ended in war. The issue of the conflict

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was of vital importance to Monaco. The two allied powers of France and Sardinia both coveted the Principality and its two "free cities" and would gladly have annexed them. Monaco's sympathy with France was shown by the reception given to the French cuirassiers who passed through in the spring of 1859 on their way into Italy.

As we know, Austria was defeated, and on the 24th March, 1860, the Sardinian parliament in Turin resolved to reward France for her intervention by the cession of Savoy and Nice. Not a moment's doubt seemed to be felt in Paris that Roquebrune and Mentone would be included in the annexed territory. The ambiguous position of the two towns would then be cleared up once and for all, but the Principality would be considerably reduced in size and lose four-fifths of its population. Charles III protested, and negotiations with the Imperial Government ensued.

The casino had been closed during the war, for the new concessionaire knew that not much could be accomplished under such conditions. He took advantage of these two months to reorganize the whole thing. The Villa Bellevue and the house opposite the Prince's palace were closed and the tables installed in a building in the middle of the old town of Monaco, exactly on the spot where the Government buildings stand to-day. The new casino was opened in October, 1859, as soon as the war in Italy was over.

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Monsieur Lefèbvre had an overbearing disposition, and tried from the first to keep everything in his own hands. But he was totally lacking in experience and had never had anything to do with casinos before; so that he was unduly perturbed at all the little daily vicissitudes attendant upon the delicate, and in some ways dangerous business of a casino. Moreover, he was paralysed by memories of his two predecessors' lamentable failure. He was easily overwhelmed by detail; in fact, he was not a big enough man for the position.

At first things went on comparatively well; the new capital available, and the restoration of unhampered communications between Nice and Monaco by sea helped to attract more tourists, and, in consequence, more players. Between the 15th October, 1859, and the beginning of 1860 the tables showed an average profit of a thousand francs a day. But this was only on the average, and at times the bank had to meet losses which plunged M. Lefèbvre into despair. As a matter of fact it was really extraordinary that things went on as well as they did, for there was still nowhere for visitors to stay in Monaco, and the timorous and short-sighted policy of M. Lefèbvre prevented any improvement. To quote the government commissioner Constantin de Caqueray's report of the 17th December, 1859: "The new omnibus service cannot begin. Joseph, who was entrusted with it at the beginning of the season, rightly insists that he needs

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three horses for each vehicle, and seems unwilling to sit on the coachman's seat, which, he says, is too high." Both coach and harness were in bad condition, and the coachman sulked when he heard that Lefèbvre proposed to accept a tender from a rival of his in Nice who promised a four-horse coach with a liveried coachman and magnificent harness. "I believe," continued the government commissioner, "that M. Lefèbvre would like to accept, but he can never make up his mind; he is always nervous about the future and shrinks from the expense. The results for the last fortnight are hardly calculated to encourage him. I am sorry to see that he is already losing confidence in the future."

This was amply demonstrated when, in the first week of January, 1860, a lucky player succeeded in winning such large sums that the weekly returns showed a loss of forty thousand francs. Lefèbvre was panic-stricken, and when the government commissioner tried to explain that such incidents were only to be anticipated, he flew into a violent temper and made it quite evident that he bitterly resented the supervision of the casino by the Prince's commissioner. This incident made Eynaud uneasy. If a loss of forty thousand francs upset the managing director so seriously, his financial resources could not be very great. During the whole of January the returns were bad, and few gamblers came to Monaco, for Lefèbvre, like his predecessors, had not fulfilled the promises made in his prospectus, and

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did very little to attract visitors. "The disappointment of those coming to Monaco is so great," wrote the government commissioner, "that by this time everybody knows there are no comfortable hotels there, no bathing facilities, and no amusements of any kind, and that nobody goes there now at all."

Monsieur Brigniboul, the principal official in charge of the bank, who had formerly been at Wiesbaden, sent in his resignation, and his example was followed by several of the casino officials. Lefèbvre was so thoroughly disheartened that he seriously thought of relinquishing his concession, and resorted to very ill-advised measures in his despair. If, as sometimes happened, the bank's reserves were exhausted at the *trente-et-quarante* table by a few lucky gamblers, he refused to replenish them, and closed the table until the next day. This not only made a bad impression but gave the bank no chance of retrieving its fortunes.

Yet in spite of his indifferent management, the results were far from disastrous. By March, 1860, that is, after 147 days' play, the bank had won more than 154,806 francs, which still meant a profit of more than a thousand francs a day. But at the slightest reverses, Lefèbvre immediately stopped the building operations in progress on the bath-house and the new casino. There was no concert-hall or ball-room, and the promised villas and hotels still remained to be built.

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It was soon obvious that Lefèbvre's financial resources were quite inadequate. By November, 1860, he had already come to the end of the sums advanced by his partners. He now attempted to save the situation by transforming the undertaking, which had so far been carried on in his own name, into a limited company, and trying to sell some shares, besides mortgaging his property in Monaco; but he met with little success, for nobody had much confidence in his character or ability, or felt that he was the right man in the right place. He refused to take advice from the Government, quarrelled with the staff, and spent so much time bargaining over trifling amounts, that in the end he often had to pay double the original price.

Thus for a long time the ball-room was only whitewashed, because Lefèbvre could not agree upon a price for having it painted. When he gave a fête, he had therefore to disguise the sordid appearance of the walls by masses of palms and flowers, till Payan's comment was: "A few more fêtes like last Monday's, and he will have spent more than the amount he boggled at paying the painters."

The experience of the two previous concessionaires had shown that it was not enough to attract visitors to Monaco; they had got to be kept there. But petty economy prevailed in every department; the gambling rooms were poorly lit, there were not enough newspapers in the reading-rooms, and the only accommodation to be had was in two small

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pensions and a second-rate hotel. The steamer which had been picked up cheap for carrying visitors to and from Nice proved a heavy expense on account of the constant repairs it required, and for weeks at a time the service could not be kept up at all. No advertisements appeared in the press, and the casino officials were so badly paid that only inferior ones could be engaged. It was like trying to clothe a giant in the garments of a dwarf. The effects of this timorous policy were soon evident. When the balance-sheet was published at the beginning of 1861, it showed a loss of 80,434 francs.

Yet the number of visitors to Monaco increased. Thousands already came to the Principality to gamble, for now that Aix had closed its doors, it was the only casino in the south of Europe. People who disliked the long journey to the spas in the north of Europe came to Monaco; but the management made no efforts to encourage them. Yet owing to the course of political events, the concession was now far more secure. On the initiative of Napoleon III, a plebiscite was to be taken in the territories ceded to France by Sardinia, and this plebiscite, in defiance of international law, was to include the towns of Mentone and Roquebrune. These two places, which felt that inclusion in a large economic unit would prove their salvation, voted overwhelmingly in favour of annexation to France, and the Prince of Monaco had willy-nilly to consent to this cession of territory by a treaty signed on the

2nd February, 1861. In a certain sense it could be said that he had been lucky to escape a worse fate; for two days later, the Council of Nice unanimously passed a resolution in favour of the annexation of the whole Principality by France. The fact was that the people of Nice saw with dismay the efforts to develop Monaco, for they thought it might prove a serious competitor to their own tourist industry. The Prince therefore accepted the treaty, which offered him four million francs' compensation, but, what was more important, confirmed his independence and sovereignty over the small portion of territory remaining to him. It also provided for the construction of a railway and a road along the coast from Nice to Mentone. Such terms were too profitable to Monaco for him to demur to accepting them.

This was the end of the Sardinian protectorate, and, except for a few minor points, all difficulties with France had now been cleared up. Lefèvre, who had always gone in dread of Sardinian interference, should have found good cause for encouragement in this. But instead of trying to attract visitors by advertisements and every other means, he made things still worse by introducing the second zero again in April, 1861. Needless to say, he still made no attempt to fulfil the obligations specified in the schedule of conditions, and the omnibus service from Nice still ran in a most erratic fashion.

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It was certainly not thanks to Lefèbvre that the casino continued to show an average profit of a thousand francs a day during the summer of 1861; and he still became hysterical at the slightest loss. Any hope that the splendid promises held out by the prospectus might ever be realized was long since dead. For instance, the local papers announced that the company would present a site free to anyone who undertook to build a villa. Yet if anyone was attracted by this offer, charges were heaped upon him till in the end, on some pretext or other, he really had to pay for the land.

Once again the Prince was compelled to intervene. He notified Lefèbvre that the casino on Les Spélugues must be completed before the 1st January, 1863. But it was soon evident that Lefèbvre was quite incapable of rising to the occasion, having neither money nor the necessary breadth of view. His personal cowardice was so marked that he shrank from entering the gambling room, for fear of encountering some desperate gambler. And he felt so little pride in his profession that, when roulette was attacked, he had not even the courage to state openly that he considered it no worse than the State lotteries organized in most European countries. Those who wish to induce prodigality in others should themselves set the example; but Lefèbvre was parsimonious and afraid of any sort of risk. Pressure was now brought to bear upon him from all quarters to

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resign his position. A committee of four of the largest shareholders was formed to carry on business until some means could be found of reorganizing the company.

Thus one after the other three concessionaires had come to grief. The Prince of Monaco could hardly have been blamed if he had despaired of ever bringing his plans for his country's well-being to fruition. But a full liquidation was now hardly possible. Too many people were involved. The only way out was, if possible, to find a concessionaire with more experience than the previous ones, who would be prepared to set the enterprise on its feet.

CHAPTER XI

BLANC TO THE RESCUE

Blanc appears as a saviour—Part played by Eynaud—Hopes of brilliant success—Blanc lays millions on the table.—Prince Charles comes to terms with Blanc—Blanc is given a free hand

ON Lefèvre's resignation the Duke of Valmy, who had the largest financial interest in the company, tried to save what he could of the capital invested in it by disposing of it to some other persons on the most favourable terms possible. He accordingly approached the heads of casinos in the Rhineland, and especially those of Homburg and Wiesbaden.

Blanc had followed developments in Monaco with the closest attention, and the croupiers he had sent down there had kept him informed of even the smallest incidents. He now felt that the time was at hand when he might step in, if he really meant to take over the concern, as he sometimes thought of doing. The cession of Savoy and Nice and the formal recognition of the Prince's sovereign independence seemed to him a propitious omen, for they obviated the danger of interference from Sardinia. Henceforward he thought it might be regarded as certain that Monaco would be allowed to develop its gambling establishment in

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peace, and that no foreign power would come forward to prevent this. And since such a danger was becoming daily more imminent at Homburg, he thought it might be wise to secure this chance of transporting the scene of his activity to a more favourable spot than Homburg, should the necessity arise.

According to the information he had received, the balance-sheet of the casino at Monaco for 1861-62 had shown a modest profit of about sixty thousand francs, in spite of incompetent management. Of course this was not much, especially for a concessionaire who had spent almost all his liquid capital and did not know how he was going to honour his signature; but it showed well enough that, under capable management, a really striking success could be made of Monaco by someone with enough business experience of the right sort and sufficient capital.

Blanc possessed both of these qualifications. Having thought the matter over carefully, he caused a discreet hint to be conveyed to the Duke of Valmy that he might be disposed to listen to his proposals. By making no advances himself and manoeuvring the other side into the disadvantageous position of having to approach him first, he would have the whip hand of them in the negotiations.

By this time the Duke was so much discouraged that he was ready to make considerable sacrifices

in order to rid himself of this unpleasant business as soon as possible, so he joyfully acted upon this suggestion, and before long a meeting took place between Valmy, Eynaud and Blanc. Unfortunately, Blanc was obliged by a boil in a most inconvenient place to stand all the while the tedious negotiations were going on. Unwilling to commit himself before he had seen with his own eyes how matters stood at Monaco, he therefore asked to have the negotiations suspended for a few days, until his "most troublesome disability" would allow him "to sit down for a few hours on end." He asked for a letter of introduction to the Prince in which Eynaud reminded His Highness that "Blanc knows that everything still remains to be done at Monaco, but he performed a similar feat at Homburg twenty years ago; for he found it a little out-of-the-way country town, and transformed it into an attractive spa. He knows that in order to attract visitors we must offer them comfort and amusement. Monsieur Blanc," he added, "is enormously rich and very clever; it is very much to be hoped that he will decide to take over the affair. A hundred thousand francs are no more to him than a hundred to other people."

On hearing this Prince Charles, who was already suffering from that affection of the eyes which was gradually to make him almost blind, wrote to Eynaud pressing him to invite Blanc to Monaco as soon as possible. But Blanc took his time, for

he wanted to talk things over quietly first with Valmy and Lefèbvre, while waiting for his boil to heal. Before starting out on this long journey, he decided to write to the Prince and lay before him his proposals with regard to Monaco. They were as follows: "The formation of a company with a capital of twelve million francs, to be applied as follows: (1) in acquiring the assets of the previous company; (2) in providing a really ample working capital; (3) in building a casino similar to that at Homburg; and (4) in the construction of hotels and villas which would enable Monaco to face the competition of Nice. These are my proposals," he continued; "but if my plans are to be carried out it is necessary that the concession upon which the whole project is based should be acquired for a reasonable sum. I venture to hope for Your Serene Highness's support in making a success of an enterprise so closely touching the prosperity of your country."

Three days later Blanc had another interview with Valmy and Lefèbvre, who, trading upon his supposedly fabulous wealth, demanded no less than 1,860,000 francs. Lefèbvre had, indeed, been busily endeavouring to stiffen the demands of the Duke, who was ready to settle the affair on any terms. Lefèbvre doubtless thought this their last chance of securing anything for their pains and getting something out of this very bad job. Blanc refused to hear of such an exorbitant sum, and

declared that, unless the other parties showed a more reasonable spirit, he must break off negotiations. But he did not really mean to do so. The sum demanded was not really so enormous, in view of the huge fortune he had made at Homburg; but wealth had not converted the once petty speculator into a spendthrift, and he remained first and foremost a shrewd business man, always on the look-out to buy at the lowest possible price. He therefore wrote to the Prince, saying that he regretted not being able to proceed with the negotiations, the demands which had been put forward were excessive.

"It amounts to this," he wrote, "that these gentlemen, under whose management—for reasons which it is not for me to particularize—the business is notoriously going from bad to worse, would like to base their proposals upon the enhanced value which would accrue to it as the result of my experience and the capital at my command; a claim which I am the less disposed to admit, in that the step taken by M. Lefèbvre in approaching me is only fresh proof of the embarrassment in which the present management now finds itself. The towns on the Mediterranean littoral have seen a very rapid development in their prosperity during the last few years, and Monaco combines all the elements which, in the hands of an enlightened and strongly-organized company, would enable us to become one of the most popular of winter

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resorts. I request your Serene Highness to intervene and reduce the demands of the present management to a reasonable figure."

The Prince at once instructed Eynaud to do all he could to induce the old management to be more reasonable. The lawyer strained every nerve to do so; but Valmy and Lefèbvre stood their ground firmly and repeated their terms in the form of an ultimatum. Blanc declared that it was useless to proceed any further and withdrew, upon which Eynaud endeavoured to reopen the negotiations and wrote to Valmy suggesting that their failure to agree was merely due to a misunderstanding, which it would doubtless be possible to remove if the conversations were resumed. And now an unexpected event came to Blanc's aid.

On the 18th February, 1863, the new casino on Les Spélugues had at last been opened. Only three rooms of it were furnished, the gambling-room and the smoking and ball-rooms; the restaurant was not yet ready. There was no sign of any other building in the vicinity, and everybody in Monaco complained that the casino was too far from the town. The Prince was glad, however, for he did not want his subjects to be tempted to frequent the tables. If, for once, the old management showed proofs of foresight, it was in the choice of this site; its very isolation meant that one day the casino would form the centre of the new health-resort which it still remained to develop. The new casino

was visited by crowds of curious sightseers, some of whom stayed to play. Among these was no less a person than Garcia, the man who had managed to make even Blanc shake in his shoes. We can imagine the effect his appearance produced on the director of the casino, as well as on Valmy and Lefèbvre, who were in the midst of their negotiations in Paris.

Garcia promptly won forty-five thousand francs again at *trente-et-quarante*, and on hearing this disquieting news by telegraph Lefèbvre was in such a panic that he was now prepared to continue the negotiations in a more conciliatory spirit. Blanc's offer amounted to one million, one hundred and twenty-nine thousand francs for the whole concern, including shares and debentures, or one million if Lefèbvre and his partners kept the debentures. Eynaud considered this a magnificent offer and even Lefèbvre could not but acknowledge that it was a handsome one, though, "with his usual duplicity," and in the hope of obtaining still more, he declared that he could not accept without consulting Jagon, who held debentures of the nominal value of five hundred thousand francs. Meanwhile Blanc had learnt that Wellens, director of the Wiesbaden casino, had sent one of his chief men to Monaco to negotiate with the company in his name. Blanc accordingly warned Eynaud that he refused to "lend himself to a double negotiation, insisted that M. de Valmy must say either yes or

no, and added that, if within forty-eight hours, he did not receive an answer in the affirmative he would break off negotiations."

In the meantime the Prince had seen Jagon, the largest debenture-holder, who gave an assurance that he would raise no difficulties, but would abide by the decision of the majority. This was telegraphed to Eynaud, who, strong in the possession of this trump-card, called to see Blanc, only to be told that he was closeted with Lefèbvre and Valmy. Eynaud begged for an interview, if only of a minute or two, and Blanc came out. Eynaud showed him the telegram urging Blanc to press for an immediate settlement and refuse to leave the door open for fresh evasion. He advised Blanc to make an offer equal to fifty per cent. of the nominal value of the shares, and refuse to concede another penny.

From this interview Eynaud concluded that Blanc was even more desirous of obtaining the concession than he had thought. "M. Blanc seems very keen," he wrote. "He told me he had it at heart to make this affair a great success and carry it through on a gigantic scale. He is coming to Monaco after the 8th of March, and reserves his final assent till he has seen the casino, the place and Your Highness."

Eynaud had hardly reached home when Blanc and Valmy appeared, and informed him, to his great joy, that a preliminary agreement had been signed. "I consider this," he wrote enthusiastically

to the Prince, "a splendid agreement both for the company and for Monaco. M. Blanc is colossally rich; he created Homburg as it is to-day and he is a past master in the art of dissimulating the green cloth of the gaming-tables behind a veil of luxury, elegance and pleasure. In five years' time, Monaco will have changed out of all recognition." He considered that Blanc had saved the whole situation, and would bring fame and prosperity to the Principality. For his part, he had done everything in his power to bring the negotiations to a satisfactory conclusion; nor, he admitted, had he hesitated to make use of "a certain dexterity" in bringing pressure to bear upon M. de Valmy and Blanc in turn. In all probability, however, it was Blanc's old enemy Garcia, who, by winning forty-five thousand francs at Monaco, had frightened Lefèbvre into reopening the negotiations, thereby doing Blanc a service which to some extent compensated for the anxiety he had once caused him at Homburg.

But the inhabitants of Monaco, unaware that the period of blunderings and failures was already a thing of the past, were showing signs of discontent, especially at the remoteness of the casino from the town. The Prince mentioned this to Eynaud, who advised him to publish a statement in the newspapers to the effect that the moving of the casino to Les Spélugues was not intended to do any prejudice to the prosperity of Monaco, for it would

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soon be surrounded by villas and hotels; while the old town would continue to be the centre of trade, and would have a virtual monopoly of catering for the need of the new town. Here, too, the Prince and his adviser gave proof of their foresight and intelligence. It now only remained to settle with Jagon, for, in spite of his friendly declarations, he might yet raise difficulties and wreck the whole deal at the last moment. Eynaud therefore advised the Prince to put pressure on him again.

"It is enormously to Your Highness's interest that Monsieur Blanc should not back out now. He has promised to spend as much as 12,000,000 francs ultimately. Only yesterday he told me he had just sold one and a half millions of three per cent rentes. . . . His plans are on the grand scale. He proposes to build three or four vast hotels, even more luxurious than those at Homburg, and he is prepared to dispose of building-sites very cheaply, and, if necessary, to subsidize the building of villas on them. . . . He served his apprenticeship at Homburg, where, he tells me, he had to struggle against immense difficulties. . . . I do not think it will be necessary to make detailed stipulations in connection with the reorganized company, as it would be if we were dealing with one of limited resources, or controlled by a less able man. I explained to him Your Highness's desire to leave the old town to invalids and quiet people, and keep it as the centre of retail trade. He declared

himself in entire agreement with this plan. He hopes to promote bathing during both summer and winter, and is greatly interested in the mineral springs about which there was at one time some talk.

“‘It is only a pretext,’ he said, ‘but in such a business as ours, no pretext should be neglected.’”

At last Eynaud was able to inform the Prince of Blanc’s impending arrival in Monaco. “Though Blanc may appear rather ponderous,” he wrote, “he is really an extremely clever and intelligent man. Your Highness can do a great deal with him by flattering his vanity and intimating to him that he will have an absolutely free hand, with no Government restrictions or interference other than those laid down in the schedule of conditions.” And in discussing various arrangements which it would be desirable to make with Blanc, Eynaud added: “After the favourable agreement which has been signed, Your Highness must not behave like Hannibal. It is not enough to be victorious, one must know how to profit by one’s victories. Strive to use it as much for your own advantage and that of the Principality as you possibly can. Certainly, Monseigneur, you have both skill and good fortune. What great and novel events, both political and financial, have happened during these last three years! Your Government will turn Monaco into a land of real importance, in spite of its small territory.”

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Meanwhile Blanc had arrived in Monaco, and had little difficulty in coming to an agreement with Charles III, thanks to the Prince's open-mindedness and clear ideas. His negotiations with Jagon were soon brought to a swift and satisfactory conclusion, and on the 31st March the final agreement was signed: in return for a cash payment of a million and a half francs, Blanc became the owner of all the company's assets, shares and debentures, including those of Jagon. To the great astonishment of those present, Blanc laid his money on the table then and there, and asked for a receipt on the spot. Never had such a sum been seen before at Monaco; yet this was only one eighth of what he was prepared to invest. The articles of the new company were then drawn up with the Prince's entire approbation: the concession was to be for a term of fifty years, from the 1st April, 1863, to the 1st April, 1913. The share-capital was fixed at a sum of eight million francs.¹

Blanc was appointed general managing director for a period of ten years. Moreover, the conditions specified in the schedule were revised. For the future, the sum due annually to the Government

¹ Blanc received 18,800 shares of a nominal value of 250 francs each, in consideration of his interests, estimated at 4,700,000 francs. Of the remaining 13,200 shares 4,000 were immediately applied for by a friend of Madame Blanc's named Bertora and by Blanc's secretary Desportes, who took them up on the same day, paying a million francs into the company's funds. The remaining 9,200 shares were to be issued gradually against payment in full, as and when required by the company, and an option was reserved to Blanc of acquiring the balance of these shares at par. See: *Statuts de la Société anonyme des Bains de Mer et du Cercle des Étrangers à Monaco*, Paris, 1863.



Prince Karl III of Monaco
1818—1889

was to increase in proportion to the profits of the company, and Blanc undertook to contribute towards the expenses of constructing the coast road from Nice to Mentone. On the 28th March, 1863, Eynaud wrote and congratulated the Prince. "Monaco," he said, "is about to experience an entire and brilliant transformation. I am most happy to have played a modest part in bringing the previous concessionaires and M. Blanc together and in stimulating the latter's imagination."

By the second week in March the rumour had already filtered through to Monaco that the famous Blanc, of Homburg, was about to take over the concession. The news was greeted with enthusiasm by the inhabitants, who looked forward to a marked improvement in their position.

Meanwhile, the bank had been consistently successful. Garcia's luck at the new casino soon flagged, and though at one moment his winnings had amounted to seventy thousand francs, he lost them all, together with twenty thousand of his own money. He was now at the end of his resources, and the casino had to lend him five hundred francs to enable him to return home. It may be added that the management had temporarily closed the *trente-et-quarante* tables, which may have had something to do with his failure.

The total net profits of the old company for the last eleven months amounted to five hundred and seventy-one thousand francs; on the last day of its

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existence it made a profit of twelve thousand francs, and for a moment the previous concessionaires may have regretted the sale of their interest in it. But they were quickly consoled by the large sums they had received in cash and the pleasant feeling of relief from their heavy cares and responsibilities. The mere rumour of Blanc's arrival had sent the price of building-sites on Les Spélugues soaring to fantastic heights. The government commissioner Payan reported to his chief that a certain Madame de Migieux had sold a plot of land "of small value" for the sum of eighteen thousand francs. This was a huge price at the time, but the same land could not be acquired to-day for eighteen million!

On the 1st April, 1863, Blanc took over the casino, and his first act was to increase the reserves at the *trente-et-quarante* tables to a hundred thousand and at the roulette tables to fifty thousand francs. He hired a second steamer, capable of accommodating three hundred people, and provided forty carriages to bring visitors from all the towns along the coast. Everyone spoke with respectful admiration of the fact that Blanc had not only paid down two and a half million francs for the property at Monaco, but had at the same time deposited a million francs in a bank at Nice. There was gold on the Côte d'Azur and everybody hoped to obtain a share of it. Besides, rumour soon multiplied these millions and reports of Blanc's fabulous wealth and

energy served as an advertisement to the enterprise upon which he had now embarked. On the 5th April, 1863, the *Journal de Monaco* greeted his appearance on the scene in the following enthusiastic terms: "The new management," it wrote, "will do great things, and will do them in the grand style. M. Blanc's name and reputation are a guarantee of this. We see what he has done at Homburg, and that is enough for us. The fame enjoyed by that spa justifies our most exalted hopes, we might even say our wildest dreams."

The future was indeed to justify all these prophecies, and Blanc's achievements were to surpass all that the boldest imagination could have foreseen.

CHAPTER XII

DEVELOPMENT OF MONACO

Blanc's experience in Homburg proves valuable—A magnificent new hotel—Clever publicity—Millions invested in the Principality—Blanc employs his relations—Attacks on Prussia—A topical play at Homburg—Stars at the Homburg theatre—Homburg in summer, Monaco in winter—A dangerous journalist: Villemessant—Monaco touched by a fairy's magic wand—A wise renunciation on the part of Prince Charles—Relations with France strengthened—The results of the Monaco casino

BLANC had served his apprenticeship at Homburg. Monaco was to be his masterpiece. He had proved his methods and knew what mistakes to avoid. Remembering how much the construction of the Frankfort railway had done for the success of Homburg, his first thought was to improve communications between Monaco and the outside world. Here the problem was even more difficult, for on no side was approach to the Principality easy; so Blanc did all he could to push forward the construction of the coast road and of a railway, pending the completion of which he arranged for a service of four steamers to ply between Nice, Genoa and Monaco. In his haste and ignorance of all things connected with the sea, Blanc bought a wretched old tub which he imagined it would be possible to transform into a splendid pleasure-steamer; but it turned out to be completely useless. However, he

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was not to be discouraged by trifles, so he paid the cost out of his own pocket and took better advice with a view to improving communications by sea.

His next problem was that of accommodation for visitors, which his predecessors had entirely neglected. In order to ascertain the precise value of the buildings already finished, he sent for his Homburg architect, Jacobi, who made a thorough survey of the new casino and the still unfinished hotel beside it.

His report was most discouraging: "There is not a single part of the building," he said, "which will not have to be rebuilt or repaired." Only the houses overlooking the harbour were tolerably good, but in spite of a stiflingly hot July they stood empty all the summer, for people came to Monaco to gamble, but not to bathe.

Next, Blanc had the gambling-room entirely re-decorated, for at that time, with its bare walls and poor lighting arrangements, it presented a gloomy, and almost funereal appearance. Jacobi turned it into a light and graceful saloon enlivened by graceful arabesques picked out in gold on a white background in a style greatly admired at the time, though they would now be considered in the worst of taste. Luxurious sofas lining the walls and rich silk hangings took the place of the uncomfortable benches and cheap stuffs with which the previous management had furnished the room out of false economy.

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Blanc speeded up the construction of the Hôtel de Paris near the casino, and made a point of furnishing it as magnificently as possible, entrusting his wife with the supervision of its internal arrangements and giving her a free hand as to cost. According to the government commissioner's report, he wished it to be unique in luxury and comfort and to surpass all the greatest hotels in the world in its decoration, furniture, equipment and cuisine, even such magnificent establishments as the Hôtel du Louvre and the Grand Hotel in Paris. "He wants the hotel at Monaco to be spoken of as a marvel," the report goes on, "thus acting as a splendid advertisement." He spent two hundred thousand francs on the table-silver. Laid out as it was for millionaires, and standing next door to the casino, its rich visitors could hardly avoid entering the gambling-rooms. A new town was soon to spring up around these two buildings, with splendid villas and lovely gardens full of rare and fragrant exotics.

The *Journal de Monaco* was used for a skilful publicity campaign. The following description of a ball which took place in November, 1863, may serve as a specimen of its style: "While polkas, *écossaises* and waltzes were in progress in the ball-room, a number of persons in a neighbouring saloon tempted the caprices of the goddess Fortune, filling their pockets with gold as though upon the shores of some Pactolus. Rumour has it that, to use a homely phrase, one had only to stoop and

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pick it up." Blanc himself dictated the tenor of these articles, and the official announcement which he published on the 6th December reads almost like a king's proclamation to his people: "From an existence of dreaming inaction Monaco must rouse itself to one of courage and activity. A whole town remains to be built! To work, then! The rich and those with money to spend are only waiting for accommodation to come and enjoy our climate." Blanc did all he could to encourage the building of villas by private persons. The previous company had got no further than making promises; but Blanc set to work in earnest and sold building-sites at extremely low prices. His name, reputation and prodigious energy produced such results that, as early as 1863, twice as many people visited Monaco as in 1861. But though the gambling-rooms were beginning to fill, the gross profits on the year did not amount to more than six hundred and forty thousand francs, very little more than in the previous year, and in no way proportionate to the huge sums Blanc had already spent. For this reason he considered it better to postpone the issue of the rest of the shares till they could promise investors a dividend of at least ten per cent, which would necessitate a gross profit of about a million and a half francs. But such results were not achieved for a long time to come.

Blanc had not forgotten his unpleasant experience with managers and casino officials at Homburg,

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and, in order to be sure of loyal and trustworthy service, he now decided to recruit the new staff for Monaco from among his wife's relations. One of her brothers-in-law, named Wagatha, was appointed manager of the gambling-rooms, and after him a man of the name of Stemler. Hartlieb, of whom Blanc still had a very high opinion, had instructions to keep the books on the same system as at Homburg. The advent of all these foreigners annoyed the Monégasques, who felt that they were being kept out of a profitable affair. Some, so the government commissioner reports, already maintained that Blanc ought to be obliged to employ local labour and industry in preference to all others. "It is Monaco," they said, "that is putting money in M. Blanc's pocket; and Monaco ought to be the first to profit by it." But they did not wish to alienate the man whom they regarded as the providence of their country, so they contented themselves with grumbling and indulging in threatening language in private.

The clever and energetic Marie Blanc was making herself more and more indispensable to her husband. Though Blanc was only fifty-seven, his health was not robust and he badly needed her support, upon which he could rely with confidence. He was often unavoidably absent, either for the purpose of taking the cure at Loèche-les-Bains in Switzerland or of looking after his interests in Paris and Homburg. Once again he had serious cause

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for anxiety in connection with the latter place, on account of a recrudescence of active hostility to gambling in Germany. On the 7th June, 1863, an article on this subject appeared in the *Journal de Monaco*. "There are growing rumours," it ran, "that Germany, for reasons of what can only be described as hypocritical morality and sham humanitarianism, will shortly abolish gambling. All the worse for Germany, then! And all the better for Monaco, which will not be so stupid as to commit financial suicide in order to please a few moralists whose opinions will not bear serious and impartial examination."

This article was directly inspired by Blanc, who adopted this means of speaking his mind to Germany, for he did not despair of frustrating this policy, if not by sober arguments, then by inspiring the Germans with envy of Monaco. His view was that lotteries, and the excessively high play which took place in private clubs, were much more objectionable from the moral standpoint than a public casino under responsible management. For lotteries were a temptation to the poorer classes, inducing them to part with their last halfpence in the hope of swift and easy gain; while in the private clubs there was no official control or supervision, so that players, he maintained, were at the mercy of cheats and swindlers. The closing of casinos he regarded as nothing more than an ostentatious demonstration of morality, highly pleasing to the priggish,

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but doing nothing to improve public morality. It only drove gambling underground, where, being exempt from all control, its ravages were far more dangerous.

But these opinions were not shared in Germany, and the news became so alarming that Blanc felt compelled to start for Homburg and watch developments on the spot. He found the Government well-disposed, so there was nothing to be feared from that quarter. Business too, had been excellent. Though the gross profits were considerably less than in the previous year, the balance sheet for the year 1862-63 showed a profit of nearly a million gulden, of which 922,346 came from the gaming-tables, whereas the sale of mineral waters, which some people thought capable of maintaining the prosperity of Homburg if the casino were closed, brought in no more than two hundred and eighty-seven gulden.

But the pamphleteers had not been silenced. When Blanc arrived in Homburg a play had just been published in Frankfort entitled *Rien ne va plus!* the scene of which was laid in "Hontebourg sur L'Abîme." (Shame-burg on the Road to Ruin.) Blanc appeared under the transparent disguise of "Monsieur Noir" (black); the government commissioner appeared as Herr Schranze (toady), Herr Blauspeer (blue spear) represented Rothschild (red shield), while the Countess Cassé-l'œuf (broken eggs) was an allusion to the Countess Kisselev. Like so many others, this play, which was a satire on

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Blanc and his management of "the world's premier gambling-hell," had blackmail as its object; for, before rehearsals had begun, the author intimated to the management of the casino at Homburg that he would withdraw it in return for due compensation. But Blanc always ignored attempts of this sort. The appearance of the piece had been arranged to coincide with the opening of the new theatre connected with the Homburg casino, and one comic paper proposed that it should be performed on the opening night. But Blanc's choice was an opera written for the occasion and entitled *The Fairy of Homburg*, which was performed before a most fashionable and cosmopolitan audience.

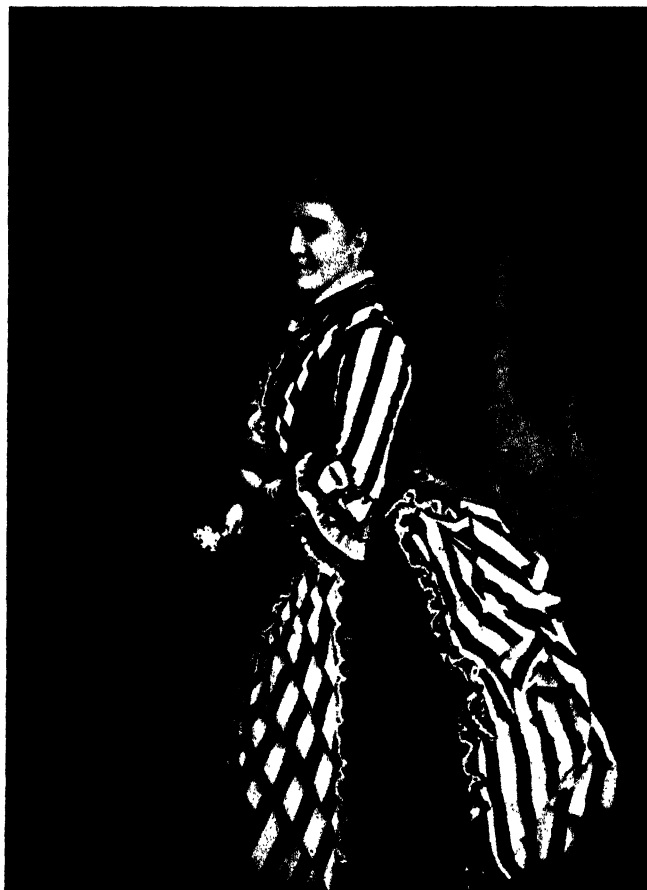
Blanc had engaged an Italian opera company for the summer, and a French theatrical company for the winter, performances in German being given in spring and autumn. The greatest artists and finest singers of the day appeared on the Homburg stage, among them the unforgettable Adelina Patti, who had become by marriage the Marquise de Caux, Paolina Lucca, Grassi and many others. Stars were paid as much as five thousand francs for a single evening, and the cost of these performances was so enormous that only about a fifth of it was covered by the sale of tickets. But Blanc knew what he was doing. The names of these artists attracted the best society from all over Europe. The seats were not expensive, but after the performance the audience would crowd into the ad-

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joining gambling-rooms, where they paid indirectly, and often extremely dearly, for these artistic treats. The end certainly justified the means, for the net profits for 1864-65 exceeded a million gulden.

The news that Blanc had taken over the concession at Monaco caused no sensation in Homburg, for the little spa was in the full tide of prosperity, and Monaco seemed too remote to be formidable. Business was flourishing, especially during the summer season, for the winter was cold and inclement, and winter sports had not yet become so popular as they are to-day. Thus Blanc's two enterprises might well be complementary, and the burden of his advertisements was "Homburg in summer and Monaco in winter." Play was to go on at both places during the off-season, for even small profits were not to be despised. But Blanc did everything to attract his rich and distinguished visitors from Homburg to Monaco for the winter season, for he was by no means indifferent to the class of public which visited his casino.

On his return from Homburg, Blanc's first action was to go over the casino at Monte Carlo. He was satisfied with the decorations which had been completed during his absence, but anything but pleased with the type of people whom he saw at the tables. They were mostly old acquaintances from Homburg, with neither money nor reputation to lose. But he had had enough of these low-class adventurers, forever ready to make a scene. What he



The Opera Singer Pauline Lucca

wanted were select and distinguished visitors. Once again he had recourse to advertisement. But the press was far from easy to handle, for the journalists were capricious and fastidious, and not always to be trusted. With the editor of the *Figaro*, for instance—who was also its owner—Blanc never knew quite where he was. M. de Villemessant was the illegitimate son of a Mademoiselle Augustine de Villemessant and a Colonel Cartier, whose name he did not bear, though he had been adopted by him, preferring the more aristocratic name of his mother. He had started his career in the ribbon trade at a time when that industry was flourishing, thanks to the dainty, bright-coloured trimmings which then adorned women's dress. He did not, however, make much of a success in trade, or out of a fashion paper which he next founded. But having turned his attention to journalism, Villemessant developed an interest in politics, supported the legitimist party, and attracted attention after the revolution of 1848 by his satirical articles against the Government. He founded three newspapers, one after the other; one of them, the *Chronique de Paris*, being suppressed by Napoleon III in 1852. Two years later he founded the *Figaro*, which was to make his name. Villemessant was extremely adroit at flattering the public taste and entirely devoid of scruples. He soon made a success by exposing real or partly fictitious scandals, revealing the life of the *demi-monde* for the amusement of

good society, and exaggerating hole-and-corner intrigues into affairs of real importance. His articles frequently got him into trouble. He was more than once challenged to a duel, and on one occasion a deputy named Henri Didier, whom he had insulted, gave him a sound thrashing in his own office. For all this, his paper was a power to be reckoned with, and might be a useful friend or a dangerous enemy, according to the whim of its very undependable proprietor.

Blanc knew him of old, for he had had dealings with him in connection with Homburg. In order to gain his good will, he now sold him at a more than favourable price a building-site in La Condamine. Next, in February, 1865, he invited Villemessant to Monaco and did everything in his power to make his stay there as pleasant as possible. His hospitality was requited by a series of articles in the *Figaro* loudly singing the praises of the new El Dorado. Nor did Villemessant lose the opportunity of blowing his own trumpet too: "I have but to mention my name, and I am fêted," he wrote. "Here is where I would gladly pitch my tent for good. Anyone buying two or three million francs' worth of land here would prove that he knows a good thing when he sees it, for it will probably be worth at least four times as much in two or three years' time. M. Blanc has transformed this region, once pleasing rather than rich, into a veritable California; only he does not discover gold

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mines, he creates them. M. Blanc is a bold, but sagacious gambler, self-controlled and never out in his calculations; he has both vision and judgment. He has founded a company with a capital of eight million francs, of which six and a half million have already been expended. He is going to increase the capital to twelve million. . . . It is as though Monaco had been touched by a fairy's magic wand. Until now it has taken four hours by road and one and a half hours by sea to reach Monaco from Nice; but in eighteen months' time, when it is possible to make the journey in fifteen minutes by train, Monaco will become the Bois de Boulogne of Nice. One need be no wizard to prophesy that M. Blanc's twelve million will soon be worth twenty-four. The last twelve million are always easier to earn than the first twelve thousand. There is no doubt about it, Monaco is an earthly paradise. One would gladly spend the rest of one's life there."

Villemessant was not afraid of talking big. Yet what looked like exaggeration in 1865 was soon to become actual fact, while the remote future immeasurably surpassed even what this journalist's fertile imagination could devise. But though the editor of the *Figaro* had blown his trumpet so loudly, Blanc did not trust him. Let the least friction arise—for instance, over his building-site in La Condamine—and Villemessant would not hesitate to turn his witty and dangerous pen against him. An occasional attack on the gambling estab-

lishment after all these eulogies would win him a reputation for impartiality and independence—and his reputation could do with a little bolstering up in this respect, for the services he rendered were seldom gratuitous.

A good press in Paris was especially important at that time, for there was still a point at issue between the Prince of Monaco and the French Government, a legacy from the treaty ceding Roquebrune and Mentone to France; and this might do serious harm to the casino if it were not settled amicably. The fact was that the Prince owned forests near Roquebrune and large estates at Cap Martin; and although they were part of his personal fortune, the municipalities of those towns laid claim to them. Napoleon III's Government naturally wished the recently annexed territories to be as contented as possible, so it had sided with the municipalities, though the courts had recognized the estates as the private property of the Prince. A commission, of which Herbet, the director of Customs, was chairman, was appointed by the Government and met in Paris to discuss the matter with Eynaud, representing the Grimaldi family. But the negotiations were making only slow progress, and matters were beginning to look serious when in April, 1864, Herbet tried to bring pressure to bear on Eynaud by alleging that the inhabitants of the coast-towns were complaining of the casino, and that Nice, in particular, was clamouring for

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it to be closed, on the plea that many families had been ruined owing to the sums lost by their fathers or sons. It looked for a moment as though the case might have to be taken into court, but the Imperial Government knew how weak its claim was. Blanc was informed of this controversy, and, realizing that the success of his enterprise depended upon a good understanding between the Prince and the French Government, he pressed Eynaud to do all he could to come to an amicable agreement. It was not, however, a question of the Prince's private estates only; the ratification of a commercial treaty was also pending, and in order to enforce its wishes the French Government threatened to compel everyone crossing the frontier between France and Monaco to carry passports, and talked of erecting a customs barrier as well. It further intimated that the coast road which it was bound by treaty to build, was going to be dropped. And since the engineers declared that the railway could only be built in conjunction with the new road, Monaco now saw its much-needed communications imperilled. Hence, although the Prince of Monaco was in the right, and Eynaud was convinced that the estates, at Cap Martin especially, would soon be extremely valuable, the Prince decided to give in, and on the 3rd May, 1865, he wrote a letter to the Emperor and Empress in which he solemnly renounced all claim to his private estates in Mentone and Roquebrune. In return, the French Govern-

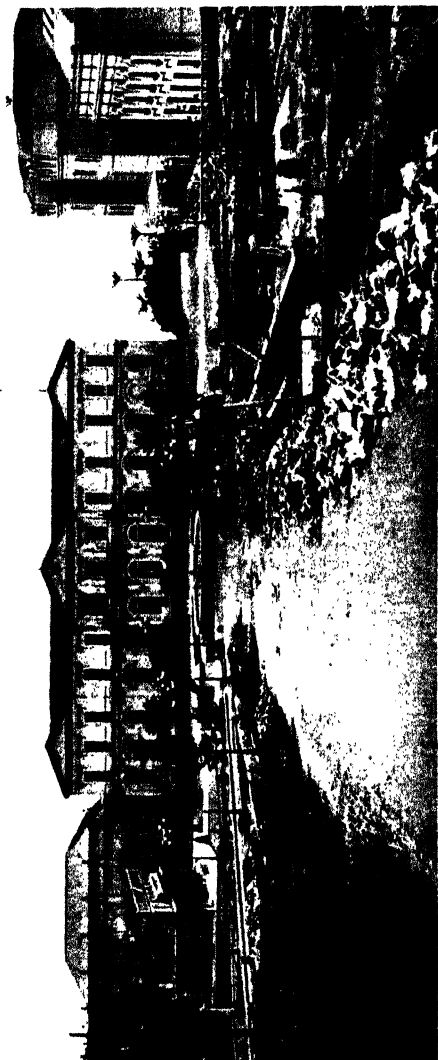
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ment undertook to complete the coastal road within the next two years. A commercial treaty was next concluded, and the Grand Cross of the Legion of Honour was bestowed on the Prince of Monaco, who had long desired it.

Eynaud was bitterly disappointed at the loss of these valuable estates, the Prince's claim to which he had fought so hard to defend, but he consoled himself with the reflection that the settlement which had been effected was of the greatest importance both for the Grimaldi family and for the Principality; for by these heavy sacrifices the Prince had removed the last pretext for annexation to France.

Blanc was extremely pleased with the settlement, for it imposed no sacrifices on him, but gave the fullest guarantees of security for the future. Now that no further interference was to be feared from France, the construction of the railway could be pushed on as energetically as possible. Yet there were still a few obstacles to surmount, for the owners of land reckoned on an increase in its value and refused to sell it at a reasonable price. In spite of all, however, Blanc calculated that the railway would be completed by 1867-68, by which time everything else, hotels, gardens, restaurants and amusements, must be ready to receive the flood of visitors who would alight at the station opposite the casino.

Meanwhile business was progressing satisfactorily. In May, 1864, Blanc decided to do away with one of the zeros at roulette, and he had the widest



The Casino of Monte Carlo in the Sixties

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publicity given to this announcement in the newspapers. That year showed a gross profit of 840,000 francs, which was 200,000 more than the previous year. The results in 1865 were very much the same. But general expenses swallowed up the greater part of these profits. Wagatha was rather uneasy at this, but Blanc remained perfectly calm; and by the beginning of 1866 the casino really began to show signs of animation. Among those visiting the casino were such players as the Duke of Hamilton and Lord Strafford, who staked really large sums; while visitors to Nice and Mentone got more and more into the habit of making trips to Monaco. The influx had begun in earnest; the gaming-rooms were filled with a brilliant throng, diversified by a constant succession of arrivals and departures. Sometimes the bank suffered losses which would have been the despair of Lefebvre, but Blanc bore these vicissitudes with perfect equanimity. The balance would soon be restored as play went on, and would infallibly incline in his favour. He watched with satisfaction the elegant society that thronged the casino. At last his dreams were realized; undesirables were gradually being eliminated and the quality of his clientèle grew daily more select.

Such was the state of affairs when a political crisis supervened which abruptly upset all Blanc's calculations and caused the course of events to take an unexpected turn.

CHAPTER XIII

HOMBURG'S LAST DAYS OF BRILLIANCE AND CELEBRATED GAMBLERS

The campaign of 1866 and its consequences to Homburg—Prussia's success threatens the casino—Discussion in the Reichstag—Will the casino be closed?—Blanc foretells a tragic future for Homburg—Rochefort gambling in Homburg—Dostoieffsky plays in Homburg—His novel "The Gambler" reflects his own experience—Ten years at the tables—A fabulously wealthy Turk—A strange figure—What sort of players did Blanc fear?

LESS than four months before Prussia's victory over Austria at Königgrätz, an event occurred in Homburg which was afterwards to affect François Blanc more than he at first supposed. On the 24th March, 1866, the Landgrave Ferdinand died at the age of eighty-three. With him the dynasty of the Landgraves of Hesse-Homburg became extinct, and since neither he nor his five brothers left any male issue, the Principality passed to the Grand-Duke of Hesse-Darmstadt. He found it in a state of remarkable prosperity. Thanks to the good sense of the last few Landgraves in sanctioning gambling, Homburg had developed astonishingly. Between 1845 and 1866 the number of its inhabitants had more than doubled, and the eight hundred visitors of 1840 had swelled twenty-five years later to nearly

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thirteen thousand, bringing the total up to nearly a hundred thousand. During this time two hundred new houses and villas had been built and miles of streets and roads constructed. The famous landscape-gardener Lenné, from Berlin, had improved the splendid gardens he had laid out there, which are still justly admired by all visitors. During the last twenty years the company had spent more than four million gulden on new buildings and on beautifying the town. The Landgrave's subjects now lived in a comfort which made their previous poverty seem like a bad dream.

In the struggle for the hegemony of the German Confederation the new ruler sided with Austria, thus ranging his little country in opposition to Prussia. During the war of 1866 it was at first proposed to close the casino for the duration of hostilities; but since the theatre of operations was so remote, this was not considered necessary.

Blanc followed the progress of the war with the closest attention. Like nearly all Frenchmen, he felt sure that Austria would be victorious. He hoped so, indeed; for if it were, there would be no reason to anticipate changes affecting the casino. If, however, Prussia won, and gained a decisive voice in the destiny of Germany, he would have every cause to fear its policy. The battle of Königgrätz destroyed Blanc's last hopes, and when on the conclusion of peace Prussia acquired the Electorate of Hesse-Homburg, he knew that the

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casino which was his creation could not hope to survive. Hostility to gambling was sure to re-crudescence, and Prussia, which in 1854 had closed the casino at Aix-la-Chapelle, was hardly likely to behave differently towards the casinos at Homburg, Wiesbaden and Ems, which were now within its territory.

But though the speedy conclusion of peace reassured the public and brought crowds of visitors back to Homburg, a commissioner had already arrived from Berlin to take over the government. Blanc was not long in obtaining an audience of him, and received soothing assurances with regard to the future of the casino, which he received with some scepticism, and at once prepared to organize resistance.

Bent upon warning the Prussians of the disastrous results of hasty and premature action, he published a pamphlet entitled "A Few Remarks on the Gambling Controversy," which described Homburg's development from a small village into a flourishing place since the introduction of gambling, and pointed out what would happen to it if its chief resource were done away with. The town, said the pamphlet, would sink back into its former poverty-stricken state, house and other property would depreciate in value, the company's shares, representing a fortune of nearly sixteen million gulden, would evaporate into thin air and the inhabitants of Homburg would be reduced to beggary.

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This pamphlet was too obviously inspired by those interested in the continuance of gambling to produce the hoped-for result. Besides, the case of Homburg was made all the worse in German eyes by the fact that Blanc was a Frenchman. The war of 1870 was only two years distant, and the tension between the two countries was already growing acute.

All parties supported the movement to abolish the gambling tables, conservatives and clericals as well as liberals. Blanc made representations in influential quarters; but this did more harm than good, for it was regarded as interference in a matter of internal policy by a foreigner, which was not to be borne.

On the 3rd of December, 1867, a debate on the question of gambling took place in the Prussian Chamber. But in his desire to defend his position in Homburg Blanc now made mistakes. He was an excellent man of business, but had no gift for diplomacy, and he thought his opponents might be more easily influenced by generosity than by argument. On presenting a petition for the continuance of the Homburg gaming-tables for a further eight years, he accompanied it by a sum of four thousand thalers for the relief of the victims of a disaster in East Prussia. But the Prussian Government sent back his money and rejected his petition.

The law for the suppression of gaming-houses was introduced in the Prussian Chamber on the 26th

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February, 1868, and passed by a large majority, with a proviso that it should not be put in force till the 1st of January, 1873.

No course remained open to Blanc but to yield to force. The catastrophe which he had strained every nerve to postpone or prevent was now an accomplished fact, and all he could now do was to wind up the business on the best terms obtainable. But even if he had wished to obstruct the measures taken by the authorities, the Prussian Government did not mean to leave him in any doubt of its intentions. As early as the 25th of March it warned Blanc that unless the law which had just been put in force was scrupulously observed and two-fifths of the company's profits paid into the fund for developing the town, the Homburg casino would be closed. Play was to continue until the 31st December, 1872, but was forbidden on Sundays and public holidays.

Thus Blanc saw his whole work destroyed at one blow, and his only consolation was that he had been far-sighted enough to secure the gambling concession at Monaco. His inspired organ, the *Journal de Monaco* interpreted his feelings quite faithfully in the description it gave on the 29th March, 1868, of Homburg as it was on the first Sunday when the casino was closed. The little town, usually so animated, suddenly seemed empty and lifeless, and the inhabitants of Homburg had an unpleasant foretaste of what would happen

when the casino was closed for good. "We must not forget," the article concluded, "that it is the casino alone which attracts the crowds of rich foreigners who bring prosperity to Homburg. . . . All we have tried to do is to show the painful contrast between a gay, brightly-lit and animated town and the same town suddenly grown dull, deserted and dead. We have attempted to call attention to the deplorable consequences that may result from measures as harsh as they are unjust." The article was no doubt also meant as a warning to those opposed to the gambling tables at Monaco.

Villemessant fulminated against the Prussian Government in his Paris newspapers. He was all the more furious because he was a shareholder in the Homburg company, and as soon as the possible closing of the casino became known, the shares had fallen sharply on the Stock Exchange, though they rose to about 240 gulden again when it was heard that play was to go on for nearly five years longer.

But Homburg was now enjoying its last days of prosperity. Though doomed to extinction, it was still extraordinarily fashionable. The visitors' list at this time is full of great names, and the registers of the gambling-rooms contain the names of eminent politicians, authors, artists and financiers, side by side with noble and aristocratic ones. Among the politicians who visited Homburg at this time, one of the most interesting was certainly

Henri Rochefort. An enemy of Napoleon III under the Second Empire and of every ministry in turn under the Republic, this able journalist and pamphleteer was a rabid individualist, temperamentally in opposition and hostile to all authority. He worked for a time under Villemessant, afterwards founding, with his support, a newspaper in which he mercilessly harried the "Caesarian régime," calling his paper *La Lanterne*, because, he said, "a street-lamp may serve at once to give light to honest men and to hang malefactors." At the head of the title-page could be seen the letters L and N intertwined with a stout rope, signifying "A rope for Louis Napoleon"—an allusion immediately grasped by the Parisians. His animus against the Emperor can be gathered from the fact that he reported with savage delight his "never sufficiently mortal diseases," and even published such a bulletin as: "We have very bad news about the Emperor. He is much better." One of Rochefort's favourite tales was about his great-uncle, the Marquis de Rochefort, who was arrested with his little son and led out to his death. The little boy looked on whilst his father was shot. It was then explained to him that he would be spared if he cried "Vive la République!" Whereupon the child placed his foot on the bleeding corpse of his father and shouted with all his strength: "Vive le roi!" At this time Rochefort was still writing for the *Figaro*, and although Villemessant liked an occasional

spiteful dig at the Tuileries, to remind the authorities of his power as a journalist, he had no wish to alienate the Imperial court. So when he received a hint that, unless he got rid of his acrimonious contributor, the *Figaro* would get into trouble, he did not wait for a second warning, but advised his dangerous colleague to take a trip abroad.

Since Rochefort was a great gambler—however much he might protest that he had never set foot in a gambling-club or betted more than ten francs at the races—he decided to make a little tour of the casinos beyond the Rhine, “and enjoy the charms of those saloons where the croupier’s rake does most of the talking.” In his memoirs he speaks most severely about the German casinos and gambling in general, which is less surprising when we hear that, in spite of his denials, he lost heavily.

“At this period,” he writes, “all German towns more or less richly endowed with sulphur-springs supplemented these with a few *trente-et-quarante* tables. . . . If the public were not such simpletons and the directors of casinos so brazen, people would make the mental comment that the luxury flaunted in these casinos, the percentage paid to the municipal authorities which tolerate them, and the expensive theatrical performances given in them are proof positive that the player has not the slightest chance of winning a single *sou*.

“If the proprietors of these highly ornate ogres’ dens were not so certain of their clients’ gullibility,

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they would house their croupiers in roughly white-washed barns, and appear in the rooms with their clothes in tatters. This would be at least an attempt to persuade passers-by that the players win so heavily as to reduce the staff at the casino to the direst poverty. But the flaunting of this daily outlay, this superabundance of amusements, these operas for which tenors from France and Italy are engaged at five thousand francs a night, can mean but one thing: 'What a lot of money we must get from you, if we can spend all this and yet have ten times as much left for ourselves.'"

Rochefort got into conversation with the head croupiers, and pretended to have received confidential revelations from them. One of them is represented as having said: "You see, it is not the heavy stakes that make our fortune, but the little ones. A man who stakes a thousand francs on a coup may still go away with winnings in his pocket; but one who stakes five francs is sure to see them swallowed up. You understand me: two hundred men can keep up the struggle against three thousand for a time, but if you add another three thousand and another again, in the long run the two hundred must needs go under. Well, that is what happens here; your five franc piece can hold out against our millions for one, two or three minutes; but in the long run our millions will inevitably absorb it." If Rochefort had questioned Blanc, he would have received much the same

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answer; for Blanc had always dreaded those who gambled for large sums, two of whom had seriously threatened his stability.

Yet for all this, Rochefort remained a gambler. He often accompanied Villemessant to Monaco, and stayed at the Villa Grimsel in La Condamine, afterwards signing his articles for the *Gil Blas* with the pseudonym "Grimsel." Perhaps we may draw the conclusion that he was luckier at Monte Carlo than at Homburg or Baden-Baden.

Among the literary people who visited Homburg one of the most interesting was naturally Dostoieffsky, who found there the subject of a novel dealing with a certain type of gambler. But the observations contained in *The Gambler* are too personal and subjective to be applicable to the psychology of the gambler in general, though they are a most important contribution to it.

When he returned after ten years' exile in Siberia, Dostoieffsky was a sick man, subject to epileptic fits. Reduced to despair by the loss of his dearest relatives, harassed by money troubles and disheartened by the lack of any response from his "eternal friend" Pauline Suslova, he began to gamble like a madman, in the hope of winning a large sum which would enable him to enjoy a more tolerable existence. He was obsessed with this passion for ten whole years, from 1862 to 1872, which were, oddly enough, the most productive period of

his life, during which he wrote *Crime and Punishment*, *The Idiot*, and *The Demons*.

Dostoevsky was certainly a born gambler. During his captivity in Siberia he had tried to pass the long hours of idleness by all kinds of games of chance, and had even lost large sums at billiards. When he returned to St. Petersburg he found everybody talking about the spas in the Rhineland. Their stories of fabulous winnings inflamed his morbid imagination, and he determined to trust to a lucky coup to restore his fortunes. He made his first trip to the Rhineland in 1862, accompanied by Pauline Suslova, and started by winning a considerable sum at Wiesbaden; but, like so many others, he could not be content with this and went on to Baden-Baden and Homburg, where he arrived in October, 1863. He played day after day, gradually losing all he had won, till at last he staked his last gulden on the table, only to lose. In these financial straits Dostoevsky was forced to appeal to Pauline Suslova, who had gone to Paris, and was only able to find the necessary money by pawning some of her jewels. It was during his stay in the Rhineland that he used to note his experiences on little scraps of paper, which later served as a basis for his books, *The Gambler* and *An Adolescent*.

Dostoevsky was so excitable that when he entered the casino he became nervous and uncontrolled. Since he could only stake small sums, his name

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never figures in the registers, which were reserved for more important persons. He was a typical example of the player who is destined to become a victim of the gambling-tables. Stimulated to a state of morbid excitement by the vicissitudes of the game, his imagination became abnormally active. Every triumph called up before him innumerable possibilities which were closed to him by his poverty; and every defeat brought him the emotions of those tragic figures whom he describes so powerfully in his books. About this time, in April, 1864, his first wife died and the creditors of his dead brother, whose debts he had undertaken to pay, grew pressing. The publisher Stelovski took advantage of his necessities to make him sign a contract for a novel, to be delivered before the 1st November, 1866; if he was even a day late, he would not only have to pay a substantial fine, but would also forfeit all rights in the books which he had already published. As he had no time left to complete *Crime and Punishment*, which he was then writing, he suddenly decided, on the 4th October, 1866, to dictate a novel about gambling to an excellent stenographer, Anna Grigorievna Snitkin. After four days of feverish activity, *The Gambler* was completed, a novel based largely on Dostoieffsky's experiences in Homburg.

The Gambler is frankly autobiographical. In the figure of the tutor, Dostoieffsky describes himself, and the character of Pauline was directly inspired

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by the Nihilist student Pauline Suslova. It describes their unhappy love affair and the hero's fits of despair, for he, too, imagines that he will be able to find happiness sooner if he wins a large sum. It describes the players with their fits of alternative hope and despair, and contains a whole collection of types and individuals like those whom Dostoieffsky had seen in the casinos of the Rhineland. It is not only a finished work of art, but a record of genuine experience and a penetrating study of the psychology of the gambler; while as a historical document it is of the highest value.

In spite of his love for his second wife, who was none other than the stenographer, Anna Grigorievna, Dostoieffsky could not rid himself of his fatal passion. During the following years he visited Baden-Baden, Saxon-les-Bains in Switzerland, Wiesbaden and Homburg, from which he wrote those recently published letters which give such a moving picture of his life as a gambler. Sometimes he lost so much that he was forced to pawn his watch and his wife's clothes. Again and again, having lost everything, he wrote to Anna Grigorievna, who had remained in St. Petersburg, to send him money to return home. Again and again she sent it. But each time he lost it at the tables, till finally his wife had to come and fetch him back herself, or he might never have returned at all.

By the end of ten years, however, he at last succeeded in freeing himself from this passion, mainly

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owing to the exertions of his wife, who, by founding a publishing-house of her own for publishing his books, succeeded in achieving a minimum of financial security. From that day onwards, he never touched a card again.

Nor were the artists engaged by Blanc to give performances at Homburg, such as Grassi, Patti, Lucca and Rubenstein indifferent to the allurements of the tables, at which they lost a large proportion of their handsome fees. Rubenstein, for instance, had such a mania for play that he could hardly wait for the end of his concert. He had hardly played the last chord when he hurried back to the gambling-rooms. Yet his talent remained quite unaffected—in fact, some of his best music was composed in Homburg.

A most varied throng appeared in the gambling-rooms. Besides artists, there were to be seen diplomatists, proud Prussian officers, financiers, revolutionary Jewish journalists, and people of more or less doubtful antecedents. One fine day, to the joy of the casino authorities, a member of the Parisian branch of the Rothschilds arrived in Homburg; but after winning fifteen hundred francs he left the casino, to the great disappointment of the croupiers. The famous Russian Chancellor Gortchakoff was often seen in the Homburg gaming-rooms, where he was accustomed to stake a few modest thousands, side by side with a Turkish grandee, His Highness General Mustapha Fazil Pasha, who was extremely

rich and played very high. He was accompanied by a large suite consisting of his pretty Parisian mistress, a number of self-styled friends, his secretary, and numerous servants. Everyone in the rooms gathered round to watch him play, usually at *trente-et-quarante*, at which he was as a rule extraordinarily lucky. Once he won not less than 288,000 francs in a single day, after which he lost more than 150,000 in ten minutes. It sometimes happened that he would lose, perhaps 125,000 francs in the first hour's play, only to leave the table, go to another, and win back the whole sum in a moment. With imperturbable Oriental calm the Turk followed the course of play, only his gleaming eyes betraying his passionate excitement.

In spite of Blanc's careful precautions, adventurers of every variety appeared in the Casino at times. There was, for instance, a certain Eugène de Mirecourt—really an ex-schoolmaster named Jacquot, who had gained a certain notoriety in Paris by his attacks on Alexandre Dumas and his innumerable collaborators, and now, by professing to have discovered an infallible system, tried to frighten Blanc into taking him into partnership. "On the day when I publish a book expounding my system," he wrote, "and expose the weak spots in your gambling-tables, you will be lost. As soon as people begin to play according to my methods, you will not be able to keep open for a single week. I undertake to prove this beyond a doubt in two

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evenings at the tables." Mirecourt waited in vain for an answer; but though he avenged himself by publishing a libellous pamphlet, he never broke the bank either at Homburg, Monaco, or anywhere else.

On the whole the Homburg casino, unlike certain others, was responsible for very few suicides, the number, indeed, hardly exceeding that in other towns with about the same population, though many who had suffered heavy losses came there in a last desperate effort to avert disaster. One of these was Baron von Kosten-Gentzkow, a Polish nobleman who arrived in Homburg rich, fashionable and living in great style, driving about in a carriage drawn by four white horses, but had soon lost his last penny. Thanks to the kindness of his former friends, he survived for a few years by writing occasional verses and begging and borrowing on all sides. But soon he became shabbier and shabbier, and ended in abject poverty; yet whenever he had a few coins in his pocket he would hurry to the casino or the confectioner's, for his other passion was his love of sweetmeats. He was a pleasant, good-tempered person, and generally popular, but he was one of those weaklings who ought never to venture near the gambling-tables, for they do not know when to stop, and are sure to lose in the long run. In one of his little poems he described a dream, in which he saw himself a rich man, driving once more through the streets of Homburg, with his four white horses.

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There were some, however, to whom the tables were a test of will-power; and these Blanc feared even more, perhaps, than he did those who played for large sums. People who played for reasonable stakes never varied the amount, and had enough force of character to leave the rooms when they had won or lost a certain sum, were the only ones likely to leave the casino with full pockets. Fortunately for the bank, such men are never very numerous, as Blanc's fortune suffices to prove.

CHAPTER XIV

MONTE CARLO AND ITS ENEMIES

Extraordinary development of Monaco—The name *Les Spélugues* is changed—Monte Carlo is founded—The railway and James Rothschild—Jealousy of Nice—A dangerous petition is sent to Paris—A newspaper campaign—Some journalists prove hard to control—Their attacks fail to injure Monaco—Extraordinary increase in profits—Eynaud on the vicissitudes of Monaco—A bold woman gambler—Increase in the tourist traffic—Anonymous letters, threats and scenes—Dissatisfaction of the population—Attacks on the management—Captain Doineau causes a dispute—Conflict between Prince Charles and Blanc—Difficulties soon smoothed out—Reconciliation follows

A NEW town was rising from the ground. Houses, villas, and shops of all kinds were being built on the hitherto unproductive soil of *Les Spélugues*, and progress was so rapid that the company's capital of eight million francs was soon spent. It was accordingly decided to increase it to fifteen millions by a new issue of shares, of which Blanc alone took up one and a half million francs' worth, for he knew by now that it was the safest possible investment, and that he had nothing more to fear. The tables were yielding a steadily-increasing profit, and there was such a crowd in the rooms that soon the casino proved too small. It had to be enlarged, and advantage was taken of this to rebuild it completely.

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By 1866 Blanc had already spent more than two million francs in building roads, laying out gardens and improving the harbour. The profits from the casino in the last months of that year justified this enormous expenditure; for both in numbers and in quality the society which now visited the gaming-tables resembled that of Homburg at its most flourishing period. Gamblers on the grand scale, known as the *grands joueurs*, such as Mustapha Pasha, who had lost a hundred thousand francs at Homburg, had already become habitués of Monaco. The bank had, however, its unlucky days. For instance, in March, 1867, a young Englishman started by losing a hundred and twenty thousand francs, but went on to win it all back and two hundred thousand francs besides, so that on leaving he carried away with him the largest sum hitherto won at the Monaco casino.

But it was not merely a little health-resort that was springing up round the casino and the Hôtel de Paris; it was a whole new town, and the question now arose what it was to be called. The obvious name would have seemed to be Les Spélugues, from its site, but unfortunately this name had most unpleasant connotations; for though the older French form, *spélougue* (from the Latin *spelunca*, a cave), meant nothing worse than a lair of wild beasts, yet both the Italian form and the German one (*Spelunke*) had come to mean a disreputable haunt. Daval had once proposed that the new town should be

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called Charlesville or Albertville, after the Prince or his son. It had not, however, been considered desirable in high quarters that the Prince's name should be attached to a concern the success of which was still very dubious. In July, 1865, Blanc learnt to his annoyance that a newspaper had already made play with the equivocal suggestions attaching to the name of Les Spélugues, so he requested the government commissioner to approach the Prince on the subject once more and suggest that the moment had now come, "to attach to the new city a name worthy of the future in store for it." The Prince still hesitated, and not till a year later, on the 1st July, 1866, did he issue a decree by which the whole area to the east of the valley of Sainte-Dévote was in future to be called the *quartier de Monte-Carlo*, after the reigning Prince—a name which at the present day can hardly be unfamiliar to anybody on earth.

Work on the new improvements went on at high pressure. The harbour and jetty of La Condamine were rapidly completed, the town was lighted by gas, splendid gardens were laid out and planted with rare flowers. Within a few months' time the whole aspect of the place was transformed beyond recognition.

It must not be supposed, however, that everything went on without a hitch. Blanc still had his worries. The construction of the railway and road from Nice to Monaco was not progressing as rapidly as he desired. The railway companies

lacked capital, and there were endless difficulties with those owning the land, who refused to sell at reasonable prices. In January 1867, James de Rothschild happened to be staying at Nice, so Blanc waited upon him with a request that he would use his powerful influence with the Mediterranean Railway Company (*Société des chemins de fer méditerranéens*) in order to hasten the completion of the Monaco section of the new line. The old Baron willingly rendered Blanc this service, and work was resumed with fresh zest. The charming and picturesque situation of Monaco pleased James de Rothschild exceedingly, and he told Blanc that if a suitable villa were built for him there at a cost of four to five hundred thousand francs, he would undertake to rent it for several years. Blanc may have thought this rather a high price to pay for the Baron's services, so he made a noncommittal answer. Rothschild's help, indeed, proved insufficient, and Blanc visited Paris in person in the hope of getting a definite promise from the directors of the railway company. He had reason to suspect that important interests in Nice were working against him. Nor, indeed, was this surprising, for ever since the spring of 1866 the people of Nice had been carrying on a regular campaign against the casino at Monaco and its directors. Blanc was constantly receiving demands for money under the most varied pretexts from petty newspapers and pamphleteers. But, true to his principles, he turned

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a deaf ear to such attempts, with the results that might be expected. The *Journal des Etrangers* published a satire in verse entitled: "The Litany of Monaco," which would even have been placarded on the walls at Nice had not the prefect refused permission on the ground that it seemed to him libellous. A petition was circulated, moreover, which aimed at nothing less than the suppression of the casino, and even its annexation to the Principality. Seven hundred inhabitants of Nice signed this document, which was sent to the Emperor. According to the Constitution, both the Chamber and the Senate were bound to enquire into it, so Blanc was seriously uneasy till war between Prussia and Austria supervened to distract public attention in France. But the people of Nice, absorbed in their local quarrels, gave him no respite, so Eynaud was sent to Paris to sound ministers on the subject, and reported to the Prince that Blanc must bring all his influence to bear at court in order to prevent the government commissioners from supporting the demands of Nice. "The case should be argued from the point of view of international law," he urged, "and, above all, it must be argued that very little prejudice has been done to the interests of Nice. We still have four months' respite before the Chamber meets again. M. Blanc must not let the grass grow under his feet."

Meanwhile, the Nice newspapers continued their campaign. Among the most hostile was the editor

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of one whose benevolent neutrality Blanc had refused to buy. Blanc now determined upon reprisals, for, criticize as they might, the people of Nice liked to frequent the casino: he requested an audience of Prince Charles, who seldom granted one, and proposed that in future no one should be allowed to enter the casino without an entrance-card which would only be issued on certain conditions. In this way it would be possible to exclude from the rooms, not only the lower elements of Nice, but malicious journalists and other unwelcome visitors; cards would only be granted to a few important residents of Nice and members of its fashionable clubs. The Prince agreed that the experiment should be tried for a few days, and one of the first to be refused an entrance card was the proprietor of the *Journal des Etrangers*, who made a violent scene in the entrance-hall of the casino.

For some unknown reason, Villemessant suddenly started attacking Blanc, the casino and even the Prince of Monaco in the *Figaro*; but Eynaud's comment was: "Whatever is the matter with M. Villemessant? Fortunately everybody takes his attacks for what they are worth. They know them to be all blackmail, and revenge for having failed to extort money." But unpleasant though these attacks were, Blanc continued to ignore them.

"He maintains," wrote the government commissioner, "that the only remedy for this infliction is to let the outcry subside of its own accord. When

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he is advised to try what seems at first sight the simple and infallible remedy of stopping the mouths of the Nice papers at the cost of certain payments, his reply, backed by examples, is that such a method, far from silencing the enemy, transforms it into a veritable hydra."

And now fresh enemies arose: in March, 1867, a certain M. Pilatte, who held meetings to protest against gambling, began holding them at Monaco. It is only fair to state that these attacks were often inspired by a sincere belief that games of chance are dangerous, and ought to be suppressed in a civilized and well-ordered State. Most countries had already resolved upon this step, and it was known that Germany would soon follow.

Prospects became brighter when, on the 1st May, 1867, the French Senate resolved not to hold a debate on the petition from Nice, since it concerned the internal affairs of a sovereign, independent and friendly State. The Principality now reaped the reward of its Prince's wisdom in renouncing his rights over Mentone and Roquebrune. Had he been less compliant, the Senate might have received a hint from the Tuileries to treat the sovereign of Monaco with less respect. Charles III was very sensitive on the subject of this agitation and instructed Eynaud to remonstrate with Blanc for doing nothing to stop it. Upon which Blanc replied that he would do what he could, but that it was impossible to come to

definite terms with a man like Villemessant, for instance. He would excuse himself by saying that he must leave his contributors a free hand. When called upon at his office for purposes of complaint he would pretend to be surprised, send for the author of the article in question, and ask him to stop, yet the next day it would all begin again. Blanc even alleged that he had used strong language to Villemessant and reproached him with taking money and doing nothing in return, upon which the latter flew into a rage, whether real or pretended, and said that he cared nothing for the casino or its money and that, if he were not left in peace, he would start a campaign against Monaco that they would not forget in a hurry. In the end Blanc did what, to use his own words, he would not have done for his own best friend: he placed his own villa, with all its furniture, plate and linen, at Villemessant's disposal for six weeks in the hope of conciliating this dangerous journalist and stopping the attacks which were so unpleasant to the Prince, if only in this one paper.

The Prince had, indeed, no particular liking for Blanc. He was ready to admit his merits and appreciated how much he had done for Monaco in a short time; but he dreaded the power of Blanc's money, which might compete with his own lawful authority. Eynaud made repeated attempts to improve the relations between them. "It must be admitted," he said, "that he is ruled by his family

in the internal management of the company, and that there is negligence in points of detail which are entrusted to incompetent hands. But on the whole he has behaved correctly and with complaisance on all occasions when I have had to make representations to him in your name." But in spite of all his efforts, the lawyer never quite succeeded in removing these misunderstandings. The attacks in the press gradually became less frequent. Villemessant was touched by Blanc's friendliness, and, in addition to the land which he already possessed in the Principality, bought a villa in La Condamine shortly afterwards for a hundred thousand francs, hoping to sell it for two or three times that amount when the approaching opening of the railway had caused all values to appreciate. Nor was this a bad investment, as is shown by the profits of the casino, which in the year 1867-68 rose to nearly two million francs. The postal statistics show the same marked improvement: in 1858 the number of postage-stamps sold had been a hundred and sixty-seven million; but by 1867 this had risen to four hundred and eighty-nine million, bringing in a revenue of forty-five million francs. And this was before Monaco possessed any adequate means of communication.

In October, 1868, the new railway was at last opened, and the effect of it was felt immediately. Crowds of visitors alighted at the station and crowded into the gambling-rooms. Five and six

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rows of players pressed round the tables and the crowd was so great that the unfortunate Countess Kisselev, who had been one of the first to arrive by train and try her fortune in her old friend Blanc's new establishment, was robbed of a pocket-book containing 26,000 francs.

The increase in visitors was reflected in large profits, the year 1868-69 showing gross receipts of 2,386,000 francs. In the hope of disarming the opposition of Nice, Blanc founded a substantial prize in connection with the horse-races there, and gave large sums to the poor of the town. The Prince profited by the financial benefits of the casino to abolish all direct taxation in his Principality, which he did by a decree of the 8th February, 1869, thus abrogating the measures which had caused such discontent among his people after 1815, and cost him Mentone and Roquebrune. The enthusiasm in this little country was indescribable, and even in Paris the decree created quite a stir. Eynaud reported that nothing else was spoken of in the capital. "I am convinced," he wrote, "that personal interest will now draw closer the bonds uniting the people of Monaco with Your Highness, and that fear of the financial régime of France or Italy will put an end to all agitation for annexation to either of them. I cannot tell Your Highness how astounded and delighted I am with the change in Monaco during the last four years: it is as though a fairy wand had called forth all these

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improvements, these buildings and the incredible prosperity and animation of this little paradise, which for so long was sad and deserted. It is you, Monseigneur, who have wrought this miracle; it will fill a great page in history."

Newspapers such as the *Chroniqueur*, of Frankfort, wrote of the extraordinary success which the railway had brought to Monte Carlo, and maintained that, by general consent, neither Homburg nor Baden-Baden had ever attracted such a fashionable and distinguished public. In order to attract not only the best society, but also the aristocracy of the gambling world, Blanc now increased the maximum stake to 12,000 francs.

Many interesting names are to be found in the registers for this period. Garibaldi's youngest son, Ricciotti, who accompanied his father on his last expedition and in 1914 formed the Garibaldian Legion, which he placed at the service of the Allied cause, was a daily visitor to the casino for several weeks; but he always played very moderately and never risked large stakes. Among the Russian visitors was to be seen the aged Countess Kisselev and the rich and charming Princess Souvaroff, who made onslaughts on the bank that recalled the exploits of her great ancestor the General. She was an amazingly daring gambler. On the 17th April, 1869, she started by losing three hundred thousand francs, and then set to work coolly and deliberately to win seven hundred thousand, so

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that the bank closed that day with a deficit of three hundred thousand francs. The duel continued far on into May. The Princess had such extraordinary luck, that up to the middle of the month Blanc had to record a daily deficit. But, as always happens, the Princess ended by losing all she had won; for, like so many others, she did not know when to stop.

Before long the enormous influx of players caused by the opening of the railway began to make Blanc wonder whether the course of events might not elude his control. The bank's losses were sometimes colossal. In March, 1869, for instance, six players who had pooled their resources managed to carry off nearly a million francs. There were some evenings when the directors wondered anxiously whether another Garcia or Charles Lucien Bonaparte was going to appear. The losses that year at the *trente-et-quarante* tables were so great that there was some question of suspending work on several costly buildings, so as not to deplete the company's capital to such a point that it would be unable to meet every call. But such crises as these were never more than transitory. Out of the 173,865 visitors to Monaco in 1869 there can have been few who did not pay their tribute to the bank—indeed, they were given every encouragement to do so. The railway station was immediately opposite the casino, and few visitors could resist the desire to satisfy their curiosity about its much-vaunted luxury and try their luck in its glittering rooms; and few failed to return again.

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As the time approached when the Homburg casino had to close, Blanc made assiduous efforts to attract his old clients to Monaco. And since he was anxious to discourage visitors with small means, he raised the minimum stakes at all the tables.

Yet the more brilliant the success of the casino, the more persistent grew the attacks of the blackmailers, and Blanc and his employees were constantly the victims of attempts at extortion. Even bankers subsidized press campaigns against the casino, in the hope that Blanc would be forced to buy their silence by opening accounts at these banks. There was one director of a finance company in Nice who was only silenced when Blanc entrusted sixty thousand francs to his keeping. There were others who did not shrink from threats of violence. When the minimum stakes were increased, Blanc received quantities of anonymous letters threatening him with death. By the beginning of 1870, they were arriving by every post, some addressed to Blanc, some to prominent citizens of Monaco, some to the staff of the casino, and some even to the Prince. Wagatha and Stemler, who were very timorous by nature, became most uneasy.

To add to their nervousness, unrest began among the people of Monaco. Not content with the exemption from all taxation which they owed to the casino, they longed for a larger share of the wealth which their southern imagination exaggerated to fabulous proportions. They were indignant because the

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management did not employ local contractors to carry out its public works, for they failed to grasp that all such matters were settled by the terms of the concession. And when no notice was taken of them they began to talk darkly of hostile demonstrations against Blanc and his lieutenants. An incident of purely local importance brought matters to a head.

A French ex-officer named Doineau, who had already been convicted in France and pardoned by Napoleon III, had been appointed by Blanc as director of building operations mainly because of his energy and powers of organization. But he soon had trouble with the native workmen, and engaged in their stead a number of Piedmontese, who not only worked better but were content with a smaller wage than the Monégasques. This was quite enough to make the inhabitants of Monaco hold Doineau responsible for all their grievances, including the fact that the railway station was, in their opinion, too far from the town and harbour. Many meetings of protest were organized, at which a petition to the Prince was ultimately composed, demanding the establishment of a roulette-table in the old town, with a minimum stake of two francs; immediate provision for a better supply of drinking water, of which there had been a shortage since the rapid increase of population; the building of a great bath-house at La Condamine, the introduction of gas-lamps for lighting the old town, the laying-out of public promenades, the formation of a com-

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mittee composed exclusively of Monégasques to supervise the casino, and the immediate dismissal of Doineau. The 27th January, 1870, was the feast of Sainte-Dévote, the patron-saint of Monaco. Towards the end of the celebrations the National Guard started fraternising with the crowd and loudly joined in the demand that their petition should be received. A procession was formed and demonstrated in front of the Prince's palace.

Charles III had to admit that in several respects his subjects had real grievances. Blanc was obviously not a philanthropist, but a man of business, and his efforts had naturally been directed towards the development of the casino. He had taken care to provide drinking-water for Monte Carlo, seen that it was lighted by gas, and carried out other public works for the benefit of Monte Carlo. As for the rest of the Principality, he probably considered that it was not his business; but the Monégasques did not see the matter in this light; it was their country which had given Blanc the chance of making millions, and they considered that they ought to benefit by it. As for Doineau, he did seem to have behaved unjustly towards the Monégasques, and the Prince saw no reason why he should support him. He was therefore expelled from the Principality.

The Prince was not altogether sorry to remind Blanc that he was master in his own domains. Wagatha and Stemler, alarmed at these developments, telegraphed to Blanc in Paris, but before he

could return further incidents occurred. Two days after the feast of Sainte-Dévote, a police commissioner was sent to inform Doineau that he must leave the Principality immediately. He found him standing in front of the casino, surrounded by the directors, the staff, and a crowd of friends and curious spectators. He called upon Doineau to follow him to the railway station, and the captain did so, escorted by a crowd of four to five hundred people. On arriving at the station Doineau handed a written protest to the commissioner and enquired the reason for his expulsion from Monaco. The only answer was that the police were acting on the Prince's orders. The crowd began to murmur, and Doineau's departure gradually developed into a demonstration against the Government. The Prince was naturally annoyed, and the Governor-General of the Principality, Baron Imberty, went so far as to advise the Prince to close the casino.

When Eynaud read of this in the *Figaro*, he wrote to the Prince as follows: "If the account in the *Figaro* of what has happened in Monaco is true . . . there can be no blinking the fact that the mob has triumphed. Your Highness does not treat this with sufficient gravity. The National Guard has joined in an armed demonstration. It has demanded and obtained the brutal and immediate expulsion of a Frenchman, who had committed no other crime than to have excited local jealousy and hate. It is to be feared that, if the company sees

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its freedom of action threatened, it may cease to invest money under conditions which it will consider insecure. There is, moreover, cause to fear that foreigners, seeing themselves exposed without protection to the excesses of the populace, will cease to reside in Monaco or invest their capital there. The National Guard must be dissolved."

Blanc did not reach Monaco till the 12th February, when he had a stormy interview with Prince Charles, who heaped reproaches upon him, saying that he could no longer tolerate his pride and arrogance, that Blanc must realize that there were limits to his arbitrary conduct and must bow to the will of the people and their Prince. Under the influence of Imberty, so he told Eynaud, the Prince seriously considered threatening to withdraw Blanc's concession. But Eynaud, who was always sensible and moderate, replied by return: "I am too deeply devoted to Your Highness not to implore you to abstain from carrying out your threat to close the casino. A contract exists between Your Highness and M. Blanc and there is no reason of State which could justify Your Highness in setting it aside, if M. Blanc has not violated its conditions, but merely refuses to change them. Both for you and for the Principality this would mean killing the goose that lays the golden eggs; for no company would dare to take Blanc's place and sign agreements which would be at the mercy of events that may very well recur. We had proof of that before M. Blanc came

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to Monaco. Who would incur such a risk if a formal agreement were liable to be broken at the will of Your Highness, or owing to pressure from a part of the population? The closing, or even the temporary suspension of the casino would mean the ruin not only of Blanc's company, but also of the Principality. Visitors would desert a country where they found no legal security, and there would soon be a reaction among the Monégasques themselves. No interests would then exist to deter them from uniting with France. Your Highness's enemies and the jealousy of Nice would soon call for annexation, and the Emperor, who is now only a constitutional ruler, and whose ministers are liberals, would probably refuse to intervene in your favour, and God knows what would happen—I tremble to think of it. Blanc is a Frenchman; he would appeal for support to his Government, and call for arbitration or a legal decision between you and him; he would be supported by the press, which is unfavourable to him and which he would buy. If M. Blanc were to prove that he has fulfilled his contract to the letter, the obvious result would be diplomatic difficulties with France. All business is better settled by compromise than by force. I am writing to Bertora, who has great influence over Blanc, and especially over Madame Blanc. If he is wise, he will realize that concessions are necessary on both sides."

Bertora had been a minor official in the post office, but now held a position at the Tuileries as

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private secretary to Prince Felix Baciocchi, a nephew of Elisa Bonaparte, and consequently related to Napoleon III. Bertora was also a shareholder in the Monaco casino.

Eynaud's advice was, however, superfluous, for on mature consideration Charles III had to recognize that the people had been carried away by excitement into exaggerating a local grievance. In the interest of the people themselves, he disbanded the National Guard and reorganized it on entirely new lines, so that it became more efficient, while refraining from regrettable acts of violence. Blanc was equally reasonable.

"As usual," wrote one of his lieutenants, "we may say between ourselves that Blanc has yielded to violence in the long run, instead of forestalling diplomatic representations by voluntarily offering to do what he is no longer in a position to refuse." He agreed to undertake the public works which the Monégasques demanded for the old town, gave friendly consideration to the question of the water-supply, and waived his original request for the recall of Doineau, which had given offence to the Prince. But he protested vigorously against the proposal for another roulette-table in Monaco, and his views were shared by the Prince. About this time Villemessant, too, put forward a suggestion that one should be opened in La Condamine between Monaco and Monte Carlo, where he possessed villas and land; but in spite of the fact that he was a

dangerous man to alienate, he was tactfully persuaded that his plan was not feasible.

All these excitements had been a great strain on Blanc, who, with approaching age and impaired health, had lost some of his old energy. His state of mind was not improved by such incidents as the attack on his wife which took place one morning in her rooms in the Hôtel de Monte Carlo. Two natives of Nice contrived by forged letters of recommendation to enter her apartments, and behaved in such a threatening manner that her servants only succeeded in ejecting them after a violent struggle. Next, a fresh petition from Nice was submitted to the French Senate, and the chairman of the committee which had reported on it did not show himself very favourable to Monaco. Meanwhile, the newspapers in Nice persisted in their attacks.

For a time Blanc contemplated buying them up, but he was too ignorant of press matters to fight the journalists on their own ground. He preferred to come to terms with them, and secure the goodwill of the press in Nice by advertising largely in its columns. This cost him a lot of money, but he was prepared for any sacrifice to restore a good understanding between the two neighbouring towns.

A settlement of all these unpleasantnesses was in sight when the Franco-German war broke out. For some months it threw all local disputes into the background, and its outcome contributed towards clearing them up for good.

CHAPTER XV

THE FRANCO-PRUSSIAN WAR AND THE END OF HOMBURG

Blanc's difficulties during the war of 1870—Two enterprises in the belligerent countries—Play is stopped in Monaco—Homburg suffers less—Nice suggests reopening of the casino—Moderate profits in spite of the war—Immense development after the signing of the peace—Blanc's financial ambitions—The Monaco casino and cosmopolitan society—Two Rothschild brothers in Homburg—They disappoint the casino authorities—A lucky Maltese gambler—Closing of the Homburg casino—Eleventh-hour petitions fail—Homburg's last day—Blanc's anger with Germany

ON the 19th July, 1870, France declared war on Prussia. Nothing could be more dangerous for Blanc than a war between Prussian Germany and Imperial France. The casino in Homburg was already doomed, though it still had two more years to run; but the war would necessitate considerable modifications of the terms on which it was wound up.

Blanc's sympathies, for more reasons than one, were on the side of France. Apart from his nationality, he had personal reasons for hating the Bismarckian régime, which was responsible for the approaching ruin of the better part of his life's work. His position was complicated by the fact that all his wife's relations were Germans, and that

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no fewer than three of his brothers-in-law were serving under the Prussian flag.

Since German territory was now closed to him, he appointed the Homburg architect, Ludwig Jacobi, managing director in his absence, with instructions to protect his interests as best he could; for he had complete confidence in Jacobi, whose energy, honesty and intelligence he had had cause to appreciate during the long years during which they had worked together. Blanc himself proposed to remain in Monaco, and do all he could to prevent his business there from suffering too much as a result of the war. Everyone in Monaco naturally supported France, and the heir-apparent, Prince Alexander, was an officer in the French Navy.

Blanc's position made him an object of suspicion to both sides. It was very unpleasant for him when the Homburg casino was compelled to subscribe a considerable sum to the Prussian war-loan; but he could not help it. In order to disarm criticism he hastened to offer 50,000 francs to the *Gaulois* for the French loan—no doubt partly with an eye to publicity. More unpleasant still were the attacks of the Nice newspapers, which did not fail to point out that most of his employees at the casino were from Homburg, many of them being his wife's relations. In order to defend his staff against charges of espionage, Blanc forbade any employee of German nationality to leave the Principality, and, more especially, to visit Nice. After the French defeats at

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Weissenburg, Wörth and Gravelotte, the situation in Monaco became still more strained. It was rumoured in Monaco that the head-gardener to the casino, a German named Strangfeld, had shouted "Long Live Prussia!" "Down with France!" in the streets of the town. Though he stoutly denied this, the management was compelled to dismiss him and two other German employees who had been equally indiscreet.

The number of visitors fell off considerably, the casino was silent and deserted, and at the gambling-tables play continued but half-heartedly. The news from the front was so bad that the few visitors who still lingered at Monaco felt little inclination to amuse themselves at the tables; and soon the profits failed to cover the expenses.

Toward the end of August a rumour was current that a republic was about to be proclaimed in Paris, and the government commissioner reported that Blanc was seriously alarmed at this, fearing lest it might lead to "a revolutionary movement in Nice, and the organizing of bands with the object of attacking Monte Carlo. He therefore requests the Governor-General," continues the report, "to authorize him to suspend play at the tables, as likely to be dangerous both to the establishment itself and to the safety of the Principality. Perhaps M. Blanc's imagination is a little precipitate, but the Prussian invasion is advancing so fast that it is as well to be prepared for whatever eventualities

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may arise out of the gloomy situation of the empire. The casino is still deserted."

Blanc had early information of the capitulation of the French at Sedan and the proclamation of the Republic in Paris on the 4th of September. As Payan, the government commissioner, writes again: "Blanc pretends that he is losing huge sums quite apart from the casino (no doubt on the Stock Exchange). He is still very much alarmed at the political outlook, and the bad news from the theatre of war is not calculated to allay his fears. Bertora sends him news daily which throws him into a state of perplexity and makes him take the gloomiest view of the future." He was simply obsessed by the idea of a sudden attack from Nice, and in order to protect the casino he hired a number of labourers under the pretext of laying out new gardens. At last the Prince, who was himself aghast at the French disasters, yielded to Blanc's arguments, and on the 6th September, 1870, the casino was temporarily closed.

Matters in Homburg were not quite so bad. There were naturally no French visitors; but the Russians refused to be disturbed by what was happening, and went on gambling as before. But as the German successes continued, and German troops penetrated farther into French territory, all cause for immediate anxiety was removed. In 1870 rather more than ten thousand visitors came to Homburg, as compared with 20,000 in 1869; and

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though the profits shrank to about half the normal amount, they none the less amounted to more than half a million. This was Blanc's one consolation in this difficult period.

News from the seat of war became worse and worse. Since the 19th September, Paris had been invested by the German armies. The Communists were beginning their agitation in both the capital and the provinces, and at Lyons, for example, the red flag was flown and the Commune was proclaimed. The authorities had great difficulty in repressing the disorders which broke out everywhere; Blanc's illness and increasingly nervous state made him especially liable to panic, and he now withdrew the 1,100,000 francs which he had deposited in the Nice branch of the Banque de France, leaving only a small sum to his account. The news of the disorders in Marseilles made him very uneasy, for if once the Commune were proclaimed there, it was ten to one Nice would probably follow suit. He therefore called upon the prefect of the department of Alpes-Maritimes, who calmed him with the assurance that all necessary measures had been taken to prevent the régime from being overthrown by force.

This interview was satisfactory in more ways than one; for the prefect complained that business was very bad. The hotels at Nice had emptied on the declaration of war, though they had not suffered too much during the early days of it,

thanks to the visitors stopping there on the way to Monaco. But since play had ceased in the casino, which they had attacked so fiercely in the past, Nice was a dead place, its hotels being deserted and its shops without customers. The prefect therefore pressed Blanc to reopen the casino, and assured him that the townspeople would be grateful if he did. Blanc was delighted at being provided with this excellent argument in any future campaigns against his traducers, and promised to think about it. He foresaw that the war would continue for some time, and since, even when the casino was closed, his overhead charges amounted to two thousand five hundred francs a day, he decided to reopen it on the 1st December, 1870, in the hope of earning at least enough to meet the day-to-day expenses.

A little later Blanc found a fresh opportunity of making himself popular in Nice, while at the same time displaying a most praiseworthy patriotism. When the Republic issued its National Defence loan, the contribution from Nice was assessed at 705,000 francs; but it proved impossible to raise this sum by a voluntary subscription. The prefect turned in despair to Blanc, who, without a moment's hesitation, subscribed the 125,000 francs which were still required. He now felt himself in a strong enough position to take the offensive against the press of Nice, and brought an action for libel against the editor and printer

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of the *Réveil des Alpes Maritimes*. The damages awarded him were trifling, being five and twenty francs respectively; but Blanc was satisfied, for judgment had been given in his favour.

In spite of the war, and the closing of the casino for three months, the company was able to declare a dividend of five per cent for the year 1870. This was fresh proof of the vitality of the establishment, and a promise of splendid things to come. When peace had been signed, and the Commune suppressed, Blanc, who had not suffered from the tragic events of the year, subscribed handsomely to the loan raised by France for the payment of the Prussian indemnity. He had deposited four million francs with Rothschilds, and now instructed them to place half of this sum at the disposal of the French Government, as his subscription to the two milliard franc loan. Nor was it only his money that he wished to place at his country's service. Blanc was devoured by ambition, and had long tried to attract public attention by publishing various pamphlets on monetary and financial questions. These had been read in financial circles, but had never received much attention from the general public. He now published a *Note sur la crise financière*, dealing with the grave financial crisis arising out of the war and the indemnity. He had intended to present a copy to Thiers, but refrained from

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doing so when he heard that the President was strongly opposed to the reintroduction of gambling in France. He did not wish the presentation of his pamphlet to be interpreted as an acknowledgment of the service thus rendered by the President to Monte Carlo's monopoly of gambling. He found no further opportunity of drawing attention to his ability as an authority on finance, and died without having fulfilled his ambition of holding public office in France.

After the war Blanc made a short trip to Homburg, where he found everything going splendidly. His trust in Jacobi had been well founded, and he returned with a sense of relief to Monaco. There, too, business had not been too bad. In spite of the war, 140,000 visitors had come to Monte Carlo in 1870 and 1871.

Once more Blanc felt full of energy and hope, and set to work enthusiastically to carry out plans which he had had to postpone. He had the casino enlarged so as to accommodate the crowds of visitors that were anticipated. In his search for new amusements he reverted to his old idea of shooting competitions. He started a pigeon-shooting competition with a first prize of ten thousand francs, thus ensuring its popularity, for no such prize had ever been offered before. The first to win the prize was a rich American named Lorillard, a well-known habitué of the casino, who inspired the inhabitants of Monte Carlo with the deepest

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respect by spending four hundred francs in cabling the news to New York.

By the beginning of 1872 Monaco had recovered its normal aspect, and the tourist traffic had beaten all pre-war records. All the most prominent figures in the fashionable world were to be seen there. Russian princes came to Monaco incognito and played for huge stakes, and in that year the Prince of Wales, afterwards King Edward VII, paid his first visit to Monte Carlo, accompanied by the Princess. In after years he became a regular visitor. The rich Genoese patrician families, who were renowned for their wealth, paid frequent visits, and there were many players from overseas. In May, 1872, a Brazilian won huge sums, but could not stop in time, and lost all he had won and more. The gross weekly receipts rose to over 300,000 francs. On one occasion several business men from Nice lost so heavily that they were faced with bankruptcy; but in order to avoid a scandal, which would have occasioned fresh attacks on the casino, Blanc paid back all they had lost, at the same time cautioning them not to come again. Such was the success of Monte Carlo now that the gross profits on the year exceeded five millions, and the net receipts nearly attained the figure of three millions.

For the first time, perhaps, Blanc could breathe quite freely. Not that he was entirely free from anxiety, but so far as Monte Carlo was concerned

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he had less than usual. He was occasionally uneasy when there was a talk of reintroducing gambling establishments in France. On the other hand, he now met with little opposition from Nice, for it was now recognized that hardly anyone came to Monte Carlo without visiting Nice too. Blanc did his best to conciliate the rival town by advertising the fact that Monaco and Nice were hastily building hotels and villas to accommodate the stream of foreigners expected there on the closing of the German casinos. The *Chroniqueur*, of Frankfort, which was attached to his interests, vaunted the beauty of Monaco and the mildness of its climate, and expressed a conviction that Monte Carlo would succeed in keeping its visitors, thanks to its magnificent bathing facilities, its luxurious hotels and excellent provision for games of all kinds. He was not sorry that these things should be said in Germany; he hoped that the Prussians would be induced by envy to realize what harm they were doing to their own country, and that a revulsion of feeling would be produced. He had enormous posters put up at the very doors of the Homburg casino showing the casino at Monaco towering above the sea on its picturesque rock.

This was, however, the only change to be noticed at Homburg. Play went on as before, and nobody would have thought that such an animated place was to relapse in a few months'

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time into its former torpor. Life there was more brilliant than ever. As before, famous people, artists and great gamblers were to be seen at Homburg. Two of the Paris Rothschilds, the brothers Alphonse and Gustave, often appeared there, for they had frequently to visit Frankfort at this time, to pay over to the German Government the instalments of the war indemnity. One day, one of them sat down at a roulette-table and staked ten thousand francs on a single coup. A crowd collected in the hope of an exciting struggle; but it was soon disappointed, for Rothschild won only eleven thousand francs and at once lost seven. Then he left the room with his winnings of four thousand francs. Next day he won three thousand francs at *trente-et-quarante*, but lost double that amount at roulette, after which he was never seen at the tables again. The bankers of Europe had other ways of making their fortune, which, though slower, were far surer. On the 30th November, 1871, the casino was visited by a son of Bismarck's, who won eighteen thousand francs, though his father was considered, wrongly, it is true, to be mainly responsible for the suppression of gambling in Germany.

One of the heaviest players at Homburg in its decline was a Maltese merchant who always put down two hundred thousand francs in cash on the table before him, and never staked less than the maximum. Among those who visited Homburg

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shortly before the closing of the casino may be mentioned the English Prime Minister, Gladstone, who had come to the spa for a short rest.

The façade, as we see, was still brilliant, and Homburg affected a light-hearted appearance which revealed none of the dramas that went on behind the scenes. For neither the municipality nor the company had given up the struggle, and both of them refused to admit defeat. They were prepared to take any measures that might even cause a delay in the execution of their death sentence. But what was possible in dealing with the Landgrave's Government was futile with that of Bismarck.

The casinos of Ems and Wiesbaden closed their doors in October, 1872. November went by, and the last days of the Homburg casino approached. In spite of a very hard winter, crowds of foreigners arrived to see the last of it. The rooms were crowded every night, and everybody played high in the hope that luck might favour them at the last moment. Finally, the last evening arrived. Players stood six and seven deep round the tables. At exactly five minutes to eleven, the croupier announced in a voice that trembled slightly: "Messieurs, à la dernière—for ever!"

The table was covered with innumerable stakes. The wheel turned, the head croupier announced "Vingt, noir, pair et passe!" and play was at an end in Homburg.

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Blanc was bent upon proving to the world that he only yielded to overwhelming force. He refused to hand over the keys of the casino to the municipal authorities, according to the terms of the agreement, and the commissioner of the Prussian Government had to be sent for. By midnight Blanc's whole creation was in the hands of the foreigner. All that remained to him were the theatre, the gas-works, the bath-house, the offices of the management, the restaurant, and his shares in the railway, the whole of which he put up to auction a few days later, when they were bought up by the municipality. When the company was wound up it was still possible to pay the shareholders half the nominal value of their shares.

Blanc could survive the loss of the Homburg casino, for his private fortune at that time was estimated at about sixty million francs. Moreover, he still had Monte Carlo, which could not fail to profit by the elimination of German competition. Nevertheless, Blanc left Homburg at the beginning of 1873 with bitterness in his heart, humiliated at having been forced to yield to the conquerors of his country and the triumph of middle-class morality. This was not the reward for which he had hoped when, thirty-two years before, he had raised this poor little village to unexampled heights of prosperity.

CHAPTER XVI

RISE OF MONTE CARLO AND DEATH OF BLANC

Monte Carlo's monopoly of roulette—A naïve attempt at black-mail—Success of gamblers on a large scale—Blanc's incessant anxieties—The "Great" Maltese—How to flatter journalists—A drama in the gaming-rooms—Monte Carlo potteries—Madame Blanc in an awkward position—A loan for the Paris Opera House—A Rothschild does not lose—Blanc's daughter and Prince Radziwill—Louise Blanc's marriage—Villemessant's demands—Enormous developments of the Principality—The profits run to millions—Death of Eynaud—Death of Blanc—His character—His personality and ideas on the morality of gambling—An immense fortune left to his heirs—An ironical obituary

THUS the place where Blanc had made his fortune had ceased to exist, and silence and desolation reigned in the spot which had witnessed his first triumphs. All this splendour was now a thing of the past—a glorious past, no doubt, but one whose memory was none the less painful to him who had been the central figure in it. Yet, though a victim of Prussian firmness, the wizard of Homburg could not reasonably complain of his fate; for since the closing of the German casinos, Monaco enjoyed a positive monopoly of games of chance in Europe. Its only surviving competitor was Saxon-les-Bains in Switzerland, which was however, inconveniently situated and already doomed by the Swiss authorities.

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Monte Carlo was turning out a brilliant success, as was recorded in the newspapers of the whole world. To quote the *Chroniqueur*: "Before M. Blanc took charge of the casino at Monaco, the whole affair was only dragging on a precarious existence. To-day all is prosperity, grandeur and luxury. Do you know why M. Blanc's touch brings good fortune? Because his hand is never empty."

The Côte d'Azur was now so fashionable that visitors sometimes had difficulty in finding accommodation. The Hôtel de Paris was always full; rooms were reserved weeks in advance, and those who had not taken this precaution had to be content with more modest quarters. Thus it often happened that rich clients, whom the management would gladly have made sacrifices to keep, grew tired of waiting and left Monte Carlo. It was finally decided to add a new wing to the hotel.

Blanc was concerned not only to increase the number of visitors to Monte Carlo, but also to improve their quality. He defined his policy as follows at the general meeting of shareholders on the 17th May, 1873: "You are aware, gentlemen, that the success of our enterprise depends not only upon the number of foreigners who visit our establishment, but still more upon the rich and elegant class which is chary of its presence at any places but those where it finds pleasures and amusements of a style fitted to its usual standard of living." It was to attract such people as these that Blanc

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devoted such art to organizing all kinds of splendid fêtes, concerts and balls; not forgetting sport, in which it was his aim to make the pigeon-shooting competitions and the horse-racing at Nice great cosmopolitan events.

It might have seemed that towards the end of a life which had seen so many incidents, not to say adventures, Blanc might rest on his oars and enjoy a little peace and quiet. But this was far from being the case; for this man, dowered with wealth and enjoying a happy family life, paid dearly for his huge fortune by constant anxiety and incessant worry. Two self-styled journalists published a violent pamphlet against the casino, and no sooner had it appeared than they wrote to Wagatha, informing him that they would at once cease their attacks if he came in person to Nice, bringing them twenty thousand francs. Wagatha met them at the appointed place and handed over the money to the two men, who said, as they pocketed it: "We are on your side now. We will found a paper, subsidized by you, which will defend the casino. From this day onward we are entirely at your disposal." At this moment a police commissioner whom Wagatha had posted behind a curtain stepped out and said: "No, gentlemen, it is you who are at my disposal." They were tried and condemned to six months' imprisonment. The proceedings revealed that they had frequently visited the casino; so in order to exclude undesirables of this sort, Blanc now estab-

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lished as a permanent arrangement the system of entrance-cards bearing the holder's name, reserving the right to refuse admission to any person without giving a reason. This measure had the happiest results: far from decreasing the number of people in the casino, it helped to improve their quality, and is still in force.

But even when Blanc was not disquieted by blackmailers and journalists, he was in constant fear of Government interference such as he had experienced in Homburg. And when his mind was fairly at rest on this subject, successful gamblers would arrive and seriously menace the bank. In June, 1873, a number of what he called "aristocrats of the gambling world" won enormous sums: one Englishman, in particular, won more than three hundred thousand francs at roulette, though he lost it all again. A little later the arrival was announced of Vincenzo Bugeja, the Maltese merchant of whom we have already heard at Homburg.

"Monsieur Blanc," wrote the government commissioner in his report, "is worrying over the impending arrival of a great gambler who is well known in German Kursaals under the name of 'The Maltese,' and who plays with a sum of â million francs in cash. Last year he quickly won 1,100,000 francs at Homburg and went off with a profit of 800,000 francs. M. Blanc is afraid of this dangerous operator, and as soon as he arrives at Monte Carlo, if he does, proposes to have extra funds sent from

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Paris, in spite of the fact that the bank's cash reserve now amounts to more than two millions." Bugeja, like all really serious players, played only *trente-et-quarante*, but at Monte Carlo he had no longer the advantage of the *demi-refait*, as at Homburg. He played moderately for the first few days, as though accustoming himself to his new surroundings, but by the end of October he had won seventy thousand francs. Luck abandoned him, however, and by the time he left, he had not only lost all he had won, but a hundred thousand francs beside. "He was naturally much annoyed," wrote the government commissioner, "and announced that he had given up the struggle against the *refait entier* for good. Now that the bank has proved victorious, M. Blanc pretends not to care whether M. Bugeja is here or not; but it is evident that he is secretly very glad to be rid of the anxiety caused him by this dangerous gambler." Blanc was, indeed, rather quick to forget that the comparatively modest sums won by the "Maltese" had succeeded in frightening him to such an extent that he had promptly written to his banker for 300,000 francs.

Nor was this all: yet another thing was now causing Blanc anxiety. Whereas suicides at Homburg had been relatively few, at Monte Carlo they became more numerous as the number of tourists increased. In October, 1873, for instance, a business man named Leister shot himself, though he was not known to have risked large sums or been

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especially unlucky; but coming on top of so many others, his death was laid at the door of the casino. About the same time, a Pole was sitting quietly on a sofa in the gaming-rooms when he suddenly pulled out a revolver and shot himself in the left thigh, causing a perfect scene in the casino. The wounded man was immediately carried into the Hôtel de Paris where he was tended by the best doctors. It was impossible to ascertain whether this was a genuine attempted suicide; the wound was too slight to justify this supposition.

This man, Felix Koniecko, had been a guide at the Vienna Exhibition, where he had seen the picture of the Principality of Monaco. The statistics of visitors to the Côte d'Azur had suggested to him that he might earn a good livelihood there. As soon as he had saved enough for the journey, he set out for Monte Carlo, where he tried to carry on his usual occupation; but his meagre earnings were swallowed up every evening at the tables. When he had lost all he had, he shot himself in the thigh, taking care to muffle the revolver in his handkerchief. His probable intention was merely to attract attention and interest the management in his sad lot. As soon as he had recovered, he was given a ticket for Paris and a sum of fifteen hundred francs.

On the whole, incidents of this sort ended satisfactorily; but they caused a scandal among the players, who were, as far as possible, drawn from a good class of society, and they could not fail to

do harm to the casino. Blanc was very much upset when the gay life of Monte Carlo was disturbed by such events. They gave his conscience no rest, and he sometimes asked himself if he were not responsible for these human lives.

The enthusiastic accounts of visitors, which had soon created a perfect legend, and even the little notices of which the papers were full, all contributed to the reputation of Monte Carlo, but still Blanc's advertising campaigns went on, though he modified its style. By this time the flamboyant posters had ceased to have any effect, having become too well known since the Homburg days. Something more was needed than the well-known phrases about the mild climate, the purity of the southern skies, the magnificence of the fêtes, the comfort of the hotels, the excellent restaurants and the perfect facilities for sport. Blanc was not long in discovering what was wanted. In order to keep up the "society" atmosphere of the place, he had the latest news from Monte Carlo regularly published in the social columns of the great daily papers, which announced the arrivals and departures of distinguished visitors. The descriptions of the fêtes were one string of titles and famous names, and these brief notices flattered those mentioned in them and aroused in others a desire to figure in them.

Blanc also invited representatives of the Press to visit his establishment on many occasions, and especially the Paris journalists. It may well be

imagined that no pains were spared to give them a worthy reception and secure their good will. Blanc arranged fêtes in their honour, and gave them the best dinners procurable at the Hôtel de Paris. He drove them about the country, took them on trips by boat and showed them every corner of the Principality. For many of them it was a unique opportunity for enjoying the life of fashionable society for a few days. On their return they could hardly do otherwise than sing the praises of this hospitable land.

The Universal Exhibition at Vienna in 1873 was the occasion of a little adventure for Madame Blanc, which ended amusingly, though at one moment it might have turned out unpleasantly. Monaco wanted to be represented there, for reasons of publicity, but it was difficult to see what there was to exhibit in its pavilion, for industry was but little developed in the tiny Principality, and on such an occasion a few bottles of scent or olive oil, or a little wood-carving would make rather a poor show. The committee in charge of the exhibits was therefore delighted when Madame Blanc announced that she had a small factory for making pretty and original terra-cottas, and would like to exhibit them in Vienna. So delighted was it, indeed, that it failed to enquire where the factory was. However, the terra-cottas had a great success in Vienna, and soon large orders began to arrive. It was then discovered, however, that these supposed products of Monaco were really made by a Spanish potter at a little

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factory in the Pyrenees, who had agreed to work exclusively for Madame Blanc and carry out her ideas; but this tiny business was quite incapable of meeting the sudden demand from Vienna. To make matters worse, several members of the judging committee from the exhibition informed Madame Blanc that they were so charmed with the pottery that they intended to come to Monaco and visit the factory where such wonderful things were made. The Spanish potter was at once summoned, and begged to settle in Monaco with his workmen, if only for six months, or at least to found a branch there. But being a rich amateur rather than a tradesman, he did not want to leave the Pyrenees, and Monsieur and Madame Blanc had to explain their unfortunate position before he consented to transfer his little factory to Monaco in 1873. After all, however, this turned out to be unnecessary, for the exhibition was found to have a deficit, and the organizing committee refused to pay the expenses of the judges. However, the pottery manufactory remained in Monaco until 1924, when it was closed down.

The winter season of 1873-74 was a very brilliant one. The aristocracy of every country in Europe was represented; and though the splendid fêtes organized by the casino cost enormous sums, they were paid for three times over in the gambling-rooms. The gross profits for the year amounted to nearly eight million francs, two millions more than

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in the preceding year. Expenditure totalled three millions, so the company was left with a net profit of over four millions, not to mention the various buildings, the cost of which was included in the general expenditure, but which represented an addition to the company's assets.

Blanc could now afford to indulge his every whim, and give large sums to any cause that appealed to him. In June, 1874, he offered to help the French Government, whose financial difficulties prevented it from rebuilding the Paris Opera-house. The Minister of Public Works had been authorized to accept offers from private individuals, who were to be repaid as soon as the state of the public finances justified it. He applied to Blanc for the necessary 4,800,000 francs, which the latter was well able to provide. The wizard of Monte Carlo was only too glad to have an opportunity of earning the gratitude of the French Government, and lent the money at six per cent interest. From this moment he was *persona grata* with the ministers, and did not hesitate to profit by their gratitude. By this means he obtained considerable improvements in railway communications with the Principality, the number of trains between Paris and Monaco being largely increased. Another person who was placed under an obligation by Blanc's loan was Charles Garnier, the architect of the Opera-house, who afterwards discharged his debt by building a theatre at Monte Carlo.

But Blanc was getting old and his health was

failing; his nerves, in particular, had suffered from the many worries arising from his business. He now ceased to take an active part in any but general matters concerning the management, the current business being entrusted to Wagatha and Stemler. When he left for Loèche-les-Bains, in Switzerland, he left all responsibility in the hands of these faithful lieutenants, who might not have very original views, but enjoyed his entire confidence. It so happened that he was absent when, in January, 1875, an Englishman won five hundred thousand francs in a single evening and had the strength of mind to leave at once. The two directors were not, however, as alarmed as might have been expected. They had learnt that, to quote the government commissioner, "from one point of view it is a good thing for the bank to get the worst of it occasionally, especially when it loses sensational sums which at once become a remunerative advertisement." Nothing encouraged people to try their luck at the tables so much as the accounts of players who had witnessed some victorious struggle between a lucky gambler and the bank, especially when the bank was the loser. And, as always, the yearly balance-sheet served to prove that, in spite of appearance, such losses were not really dangerous to the company. That year the profits exceeded six millions.

At the beginning of April, 1876, Blanc was taken seriously ill with bronchitis. The asthma from which he had suffered so long prevented him from sleeping.

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At the general meeting that year, everybody noticed his extreme pallor and the difficulty which he had in speaking.

He no longer took any pleasure in his success. Yet his clients remained faithful to him. Many Russians had followed him from Homburg to Monaco, among them Count Branicki, who continued to lose money at the rate of hundreds of thousands of francs a year. Among the well-known people at the tables were Jules Verne and a certain Dr. Wickhuysen, who had dressed the wounds of Marshal MacMahon after the battle of Sedan; while one of the Rothschilds, who had formerly refused him their backing, but now regarded him as one of their best clients, appeared in the rooms and lost a thousand francs, only to win back fifteen thousand on the next day. Bad news alone had power to move Blanc now. Always anxious and on the defensive, he feared everybody, even the clandestine gambling-clubs in Paris and Nice, and dreaded receiving threatening letters or witnessing painful scenes, such as the one caused by a tradesman who had lost 40,000 francs, and put himself in his way with his wife and child one day as he was leaving the casino.

But the year 1876 brought him the greatest joy of his life. His eldest daughter, Louise, who was twenty years old, had met in Paris a young Prince Constantine Radziwill, who fell in love with her and asked her hand in marriage. This was certainly flattering to the son of a small tax-collector and the

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daughter of a cobbler, but for that very reason the Blancs watched the affair with a certain anxiety. Did not this prince of ancient lineage, they asked themselves, see in Louise Blanc rather the great heiress than the pretty, charming girl that she was? Marie and François Blanc were too well aware of what their own happy marriage had meant to them to let their daughter become a princess at the cost of her happiness. They therefore asked for time to make their decision, and desired to make enquiries about her suitor.

The confidential man charged with making the enquiries was given a list of questions, but since he knew no Russian, he engaged a Jew as his interpreter. Information was gathered from the Prince's servants, a photographer, the people who kept the shop opposite the Prince's house, the steward, and a captain who was on friendly terms with the Radziwills. The information collected was somewhat contradictory, but the agent learnt that Constantine was pleasanter and more economical than his brother, that the family owed more to its great name than to its wealth, which was not very great, but that the Radziwills always met all their obligations. Through the Jew the confidential agent procured two photographs of Prince Constantine and sent them to Madame Blanc with the following letter:

"The family occupies the first storey, six of the windows overlooking the street. On the ground-floor there is a shop on each side of the entrance

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(a grocer and clothier); in a little show-case fastened to the doorpost are some false teeth; the courtyard is dirty and produces a bad impression. My Jew declares, however, that the Prince's family pay more than a thousand roubles in rent." He added that, according to his Jewish informant, both brothers had several mistresses. The eight questions were answered as follows:

- | | | |
|-----------------|---|---------------------------------|
| 1. Fortune . | . | Non-existent |
| 2. Morality | . | Good—excellent |
| 3. Character | . | Good—excellent |
| 4. Family | . | Good |
| 5. Politics | . | — |
| 6. Physique | . | Unhealthy |
| | | Lungs rather weak |
| 7. Intelligence | . | — |
| 8. Disposition | . | Good, especially towards |
| | | his younger brother who gambles |

The Blancs naturally required rather more than this before giving their consent to their daughter's marriage. They took pains to know the young man, and often invited him to their house. They cared little about his family, which was, of course, a distinguished one; nor did they care about his fortune, for, as the seventh out of eight children, Prince Constantine was not rich; all they desired was that he should be neither a gambler nor a spendthrift. Their fears were soon allayed, and Blanc was able to bestow his daughter's hand upon a scion of a

family bearing one of the greatest names in Europe. On that day he was able to realize how far he had travelled since he and his brother left Courthezon.

As a rule, all Paris was to be seen at Monte Carlo; but on the day of Louise Blanc's marriage all Monte Carlo was in Paris. Among those present at the magnificent and impressive ceremony were many who had involuntarily contributed to the bride's large fortune, especially among the Russian families related to the Radziwills, such as the Trubetzkoy's, Wittgensteins and Branickis.

This was François Blanc's last great happiness, and, more than that, it was a token of social recognition. But he returned to Monaco a tired man, and was once more harassed by anxieties, which his enfeebled health made him increasingly unable to support. At the beginning of 1877 he once more had trouble with Villemessant, who, not content with having acquired sites at La Condamine ten years before for no more than one or two francs the square metre, which he could now have sold at a profit of at least a thousand per cent, now tried to induce Blanc to let him have some land for a villa on the same terms as before. When Blanc refused he lost his temper and threatened him with what he would say in the *Figaro*. However, he did buy a piece of land, but he expected Blanc to give an undertaking that nothing should be built near it, for fear of spoiling his view. Blanc promised that nothing should be built there during his own life, but he could



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not place limits upon the liberty of his heirs. But Villemessant made a very profitable transaction when instead of building a villa, he sold for fifty-five francs a square metre the twelve hundred square metres of land which he had bought for about half the price.

About this time the people of Nice played Blanc a shabby trick. In his desire to keep on good terms with them, Blanc had subscribed five thousand francs towards the Nice carnival, which was already famous. Yet in spite of his generosity, they conceived the idea of having grotesque effigies of him and his directors carried through the streets of the town, and refused to abandon the idea till Blanc had made a further handsome contribution to the charities of Nice. It was feared for a time that the Russo-Turkish war might damage the fortunes of the casino; but the government commissioner was able to report on the 31st of March, 1877 that, "the casino has been even more fashionable than we were justified in hoping, and than M. Blanc himself had expected. The number of visitors frequenting this winter resort is still on the increase. There is still the same eager throng round the tables."

Early in 1877, however, Blanc's strength rapidly declined. He was unable to be present at the general meeting on April 27th, or to hear the announcement that the gross profits amounted to eight and a quarter millions, whilst the expenses did not exceed three and a half millions, the net profits thus being close upon five millions. It was proposed to build

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new roads, enlarge the bathing establishments, and undertake several other improvements; but Blanc was in no state to take an interest in them. His health went from bad to worse during May and June, and once again he was compelled to return to his favourite watering-place, Loèche les-Bains. He was greatly affected on hearing of the death of Eynaud. In him he lost one of the earliest founders of the prosperity of Monaco, to whom, as he knew, he owed a large part of his success. Eynaud had been devoted to the interests of the Principality and had given the wisest counsels to the Prince. He had smoothed away many a misunderstanding between Charles III and the casino, and in him they both lost a faithful colleague and trusty adviser.

A few weeks later Blanc followed him to the grave. He died at Loèche on the 27th July, 1877, at the age of seventy-one, fortified by the sacraments of the Church.

We have followed this man through every stage of his amazing career. We know his successes, which he was so well able to exploit commercially that every detail lies before us. It is worth while to ask ourselves what were the qualities which enabled this man to achieve such success. Two places were entirely transformed by him. Two towns grew up under his hand. And in these two towns a kind of magic realm was created in which the rules governing the outside world ceased to be valid. Here no one gained his bread by the sweat of his brow, no

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one cared for honour or office; but fortune alone was sought. Here money was both everything and nothing, for "lightly come was lightly go;" the lucky gambler spent his winnings as easily as he obtained them, denying himself nothing that he desired.

In the long run it is not the gambler himself who profits most by his winnings, but rather those who know how to minister to his wants, for in the innumerable shops of Homburg or Monaco can be found all that the most refined luxury can desire, and all the loveliest products of the world and its most skilful craftsmen: laces and jewels, costly furniture and china, and works of art of every variety. Here, too, are to be found the products of every clime, flowers, rare fruits and fish; while women find there the latest creations of fashion, for famous dressmakers launch their most daring models in the casino, its famous park and promenades.

All these attractions had existed at other spas, but none of the predecessors of Monte Carlo had possessed that subtle touch of elegance and smartness which Blanc managed to impart to his creations. Nowhere else was the intense and feverish atmosphere to be found which swept away everybody at Homburg and on the Côte d'Azur. And though this atmosphere was primarily due to gambling, it spread to the whole town and its inhabitants. Nowhere were such adventures to be found, nowhere did such strange and dramatic incidents occur. Here all ordinary standards were

overthrown, and everyone was equal. The gaming table knew no distinctions of rank; the soldier of fortune in his elegant shabbiness sat next to the noble and the prince.

It was François Blanc who created this unreal and magic world, this atmosphere of escape from everyday contingencies. He built his fortunes on the most ineradicable of human passions, that of gambling. But amid all the passions which he had unchained, he himself remained cool and rational. His imagination enabled him to plan things on a grand scale, and his prudence to carry them out easily, but without false economy. Under a calm exterior he possessed that nervous energy and cool audacity which characterize his race. If he earned so many millions of francs in the last years of his life, it was because he had twice had the courage to risk his whole fortune on a single chance. He knew how to adapt himself to everybody with whom he had to deal. He seldom made a mistake; he managed to satisfy the Government, the press, the shareholders, and the public; he was far-seeing and always alive to the most subtle intrigues, and he knew when circumstances were too strong for him. Above all, he was an unerring judge of men and of how to handle them. One journalist he would buy, another he would ignore, a third he would prosecute; he would listen unmoved to the complaints of one unlucky gambler, while lending money to another—for instance, the Countess Kisselev.

François Blanc was certainly a spoilt child of fortune. He was splendidly supported by a brave and clever wife, who remained quite unaffected by her luxurious surroundings and unfailing in her devotion. His daughters made brilliant marriages. What more could he desire? Yet his portraits are not those of a happy man. His eyes do not express either gaiety or contentment. We know, moreover, that his life was full of care, and he never knew real peace of mind. Even during his later years, when his fortune rested upon such secure foundations that he had nothing more to fear, he went in dread of the future, and saw omens in everything. He was so superstitious that every day he would consult the oracle of the cards for guidance in his business.

Throughout his whole life he was defending himself and his profession, and meeting attacks from every quarter simultaneously, from cranks, hypocrites, puritans, and every sort of narrow-minded enemy of individual liberty.

He tried to defend gambling establishments as being superior in honesty to other ways of exploiting games of chance, such as public lotteries. He could not understand why only properly supervised gambling houses should be attacked, where clients had far greater guarantees against cheats and swindlers than in private clubs. Nobody, he boasted, had ever been cheated of a sou in his casinos. Could any banker say as much? Possibly his enemies were within himself as well as without.

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He produced the impression of a man who was not spiritually at rest, but seemed to be at odds with his own conscience, and forever seeking a justification for his life. And perhaps his failure to do so accounts for the warmth and agitation with which he defended himself. His ancestors had obeyed the hard law of humanity: "In the sweat of thy brow thou shalt eat bread." Possibly it was because he had broken with this tradition that he never achieved that internal equilibrium and spiritual freedom which make for nobility of life.

Blanc left his family a fortune of approximately eighty-eight million francs. The poor were generously remembered in his will; the church, too, benefited and his parish received a million francs. Though Blanc's enormous fortune created quite a sensation when its amount became known, the man himself was little discussed, though even his death did not silence the spiteful epigrams of which he was the subject—witness one composed on this occasion, which, after a series of somewhat tasteless jests at his expense, concluded with the words: "Essayez rouge, essayez noir. C'est toujours Blanc qui gagne." (Try the red, or try the black. It's always Blanc (white) that wins.)"

Yet probably no casino has ever been better or more honestly run. It was as if Blanc had tried with all his might to justify the end by the means. So long as he lived he attempted to carry on a business of a dubious moral complexion with as much straightforwardness and integrity as he could.

CHAPTER XVII

YESTERDAY AND TO-DAY

Play as usual—The division of the estate—More than ten millions profit—Death of Princess Caroline—Her fine qualities—Bombs in the casino—Blanc's second daughter marries Prince Roland Bonaparte—Family connexions and career of the bridegroom—Sudden death of Madame Blanc—Her charity and her jewels—A great ambition—An international committee formed to oppose Monte Carlo—Press attacks and speculation in shares—The casino continues to flourish—Death of Charles III—A rich and happy people, exempt from taxation—His rôle and his merits—The casino victorious—Steady progress—Towns are built—Hundreds of thousands of visitors—Monte Carlo and the World War—The Blanc family disappear from the scene—After the World War—A fortunate island—Economic crisis and depression—Homburg after the closing of the casino—Grandeur and decadence—Fortune favours the brave

THE founder of the casino was dead, but play went on, though with its chief the casino seemed also to have lost its vigour, for the week after Blanc's death showed a loss of six hundred and forty thousand francs. The superstitious world of gamblers was inclined to regard this as an omen, but soon profits reached the normal figure, the casino, for a time clouded by mourning, regained its normal animation, and at the end of 1877 its monopoly was confirmed by the closing of the Saxon-les-Bains casino, the last to survive in Switzerland.

Blanc's will was executed with scarcely a hitch. Madame Blanc received by far the largest portion

of his estate, the rest being divided in equal portions among his two daughters, the Princess Radziwill and Mademoiselle Marie Blanc, and his son, Edmond Blanc, each of whom received 4,200 shares. The remaining shares were divided between Blanc's two sons by his first marriage, Charles and Camille, who received 900 and 100 shares respectively, Bertora, who received 900, and a certain M. Jandas, who received 800. The Prince still held his original four hundred shares. There yet remained a certain number of participating shares of a preferential nature, held by members of the public and officials of the casino, most of whom had prospered by speculating in land; but these were gradually redeemed.

During the early months of 1878 receipts remained very much the same as in the previous year, though the record weekly profit of 614,000 francs is recorded during this period. This check in the progress of Monte Carlo was to be attributed to the war in the Near East, which kept many Russians at home; but the conclusion of peace soon led to a fresh upward spurt. The most brilliant event during the winter season 1878-79 was the opening of the magnificent theatre built by Garnier, the architect of the Paris Opera-house, who thus discharged his debt to Blanc too late for the latter to enjoy it. The theatre adjoined the casino, so that the audience could easily visit the gaming-rooms between the acts. Prince Charles III was present,

though he seldom appeared in public now that he was almost totally blind, but spent most of his time on one or other of his estates in France.

The balance-sheet of March 1879 again beat all previous records, showing gross profits of more than ten million francs and an expenditure of nearly six millions. Amid this prosperity there died on the 24th November one who, with Blanc and Eynaud, had done most to bring it about: the clever and energetic Princess Caroline of Monaco, who had found the Principality in the dire straits of the post-Revolutionary period, but died leaving the people of Monaco happy and rich. Though, like the Prince, she was not indifferent to the attacks on Monte Carlo, she could meet her end with the consciousness that she had done her duty. Her closing years had been devoted to the restoration of the palace.

As in the past, the casino still had its enemies, whose demonstrations soon afterwards took a violent form. On the evening of the 24th April, 1880, a bomb exploded under the clock in the gaming-rooms. Several people were seriously wounded and great damage was done, though less than the perpetrators of the outrage had hoped; but fortunately no one was killed. Soon, however, the same crowds of players were to be seen at the tables as before. The public had already forgotten the bomb.

Madame Blanc had as her chief assistant in the management of the casino Bertora, who had just

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been granted the title of count by the Pope. The daughter of the Friedrichsdorf cobbler was now surrounded by titled people, and soon her second daughter was asked in marriage by Prince Roland Bonaparte, a nephew of that very Charles Lucien who had once nearly broken the bank at Homburg. Prince Roland's father, Prince Pierre, had had a most adventurous life. While still a young man he had gone to America to join his uncle Joseph, the ex-king of Spain. He had fought in Colombia under the republican General Santander, and afterwards in Egypt, under Mehemet-Ali; passing on to Italy, he got into trouble with some Papal gendarmes, one of whom he killed. For this he was imprisoned in the Castle of Sant'Angelo. He returned to France on the fall of the July Monarchy, became a deputy of the extreme left in the Assembly of 1848, and in 1867, against the wish of the Emperor, married the daughter of a plumber. It was one of his sons by her who asked Marie Blanc in marriage. In 1870 he shot Victor Noir, who had brought him a challenge from a brother journalist. His acquittal after the sensational trial which followed caused great indignation in France, and added a finishing touch to the Imperial family's unpopularity.

This time it was not so difficult for Madame Blanc to find out all about her future son-in-law. Everyone knew the poor young officer, with no wealth save his name. On his engagement to her daughter,

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Madame Blanc presented him with six portraits of members of the Imperial family, including Napoleon I, Madame Laetitia, Joseph and Jerome, from the Castle of Wilhelms Höhe, the former residence of Jerome Bonaparte, King of Westphalia, which she had bought for 15,000 marks. On the 17th November, 1880, the wedding took place with great splendour at the church of Saint Roch in Paris. This marriage, which had started so happily, ended in tragedy. On the 8th August, 1882, Marie Bonaparte died in giving birth to a little daughter, Marie, who afterwards married Prince George of Greece, the second son of King George I and brother of King Constantine. Thus Blanc's grand-daughter became a member of a reigning royal family. How remote Courthezon now seemed!

Madame Blanc did not live to see her daughter's tragic death. She died suddenly on the 25th July, 1881, at her country residence at Moutiers in Savoy, at the age of only forty-seven. Her death was a great loss, not only to her children, to whom she had been a loving and self-sacrificing mother, or even to the many Homburg relations whom she had helped in every way, but to the poor and needy in general, numbers of whom were supported by her bounty. Her servants were often in despair at the stream of place-seekers and beggars of all kinds whom Madame Blanc forbade them to turn away. Every day she received hundreds of begging letters, containing every possible variation on the

same theme: "I have lost everything at the tables, I am faced with starvation, please lend me a little money." She gave freely, often to people unworthy of her kindness. Many of those who wrote her such letters had never gambled in their lives.

It might almost be said that Marie Blanc sought to make amends by her charity for the way in which her wealth had been acquired. Brides-les-Bains, near her country-house at Moutiers, owes her its church, school and hospital. She bought the Château of Ermenonville, where Jean Jacques Rousseau spent his last years, and gave it to her eldest daughter, the Princess Radziwill.

The kind and virtuous Madame Blanc disliked gambling, and distrusted anyone who had the reputation of being a gambler. She had but one passion, and that was for beautiful jewels. Blanc never visited Paris without bringing her back some magnificent stones. Some months after her death, in December, 1881, her heirs sold these fabulous treasures by auction at the Hotel Drouot. It was one of the events of the Paris season. Pearl necklaces, diamond bracelets, tiaras, fans, brooches and earrings were carried round on velvet cushions by liveried footmen. A magnificent pearl necklace with five rows alone fetched more than 360,000 francs. The rest of Marie Blanc's estate was also sold, including the gardens at Homburg, laid out in the early twentieth century by an English princess, the Landgravine Elizabeth, which

are still one of the chief ornaments of the little watering-place. Shortly afterwards, her furniture and art collections also came under the hammer.

The enormous sums realised at these sales gave fresh cause for hatred to the enemies of Monte Carlo; and the publicity so unwisely given to them drew public attention to the origin of a fortune of such recent growth. Protests had, indeed, never ceased against Blanc's work and his scandalous wealth. An International Committee had even been formed in London to combat the casino at Monaco. On the 31st December *The Times* abandoned its usual reserve and printed an article severely criticizing it, which was echoed in the *Daily News*, the *Kölnische Zeitung*, the *Secolo* and many other newspapers. During 1881 the agitation made considerable progress, spreading from England to France and Italy. Once again pamphlets and books began to appear attacking gambling, and a heavy fall in the shares of the company took place on the appearance in the *Indépendant des Alpes Maritimes* of an article with the sensational title of: "*Vendez, vendez, actionnaires, le krach s'approche.*" (Sell, sell, shareholders, the crash is coming), upon which there was considerable buying, probably by those concerned in the publication of the article.

The newspapers were full of this controversy, some of them devoting a daily column to it. The Prince was attacked too, and his sovereignty called in question, and he was claimed as a vassal of

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France. A forged pastoral letter was distributed, purporting to come from an entirely imaginary bishop of Monaco, which condemned gamblers and gambling. On the 28th November there was another bomb explosion, this time at the entrance to the gaming-rooms, which caused, however, but little damage. In the same year a fresh petition against the casino was sent to the French Chamber of Deputies.

Prince Charles had long since retired to his castle of Marchais in the department of Aisne, and was hardly seen in Monaco after 1882. He died on September the 10th, 1889. Thus, after Eynaud, François and Marie Blanc and the Princess Caroline, the last of those who had founded the fortune of Monaco had disappeared. The last years of the Prince had been saddened by the attacks on him, and he was particularly sensitive to censure on moral grounds for the mode he had adopted of relieving his people's poverty. For this reason he had always insisted that the casino should be under the strictest supervision, in order to prevent any possible scandals, which might be damaging to the reputation of the establishment. He was in entire agreement with Blanc on this point. They both felt how unjust it was that, as Blanc used to say, "those who provide facilities for gambling are always severely censured, whilst the weakness and frivolity of the gambler himself, who is, after all, not compelled to risk his money, usually go uncriticized."

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They considered that princes who conquered foreign nations in war, and reduced them to virtual slavery by crushing taxation, were committing a far baser act than the Prince of Monaco, who enriched his people by the superfluous wealth of the idle.

In 1891, the question of gambling was raised for the last time in the French Chamber and finally settled with the words: "The Principality of Monaco is absolutely independent and its independence is recognised." Thus Monte Carlo was secured against the fate of Homburg. Though Blanc found no successor of his own calibre to take his place, the casino continued to prosper. In 1891-92 the net profits amounted to nearly twenty-six million francs, and in 1912 to forty-six million. Between 1873 and 1931 the population increased from 3,442 to 25,000. Though the old town of Monaco has remained more or less stationary, the new towns of Monte Carlo and La Condamine have nearly six times as many inhabitants as it has. Almost the entire cost of government is met by the dues paid by the *Société des Bains de Mer et du Cercle des Etrangers*. The number of visitors to the Principality annually has increased from 186,000 in 1873 to about two and a half million in recent years.

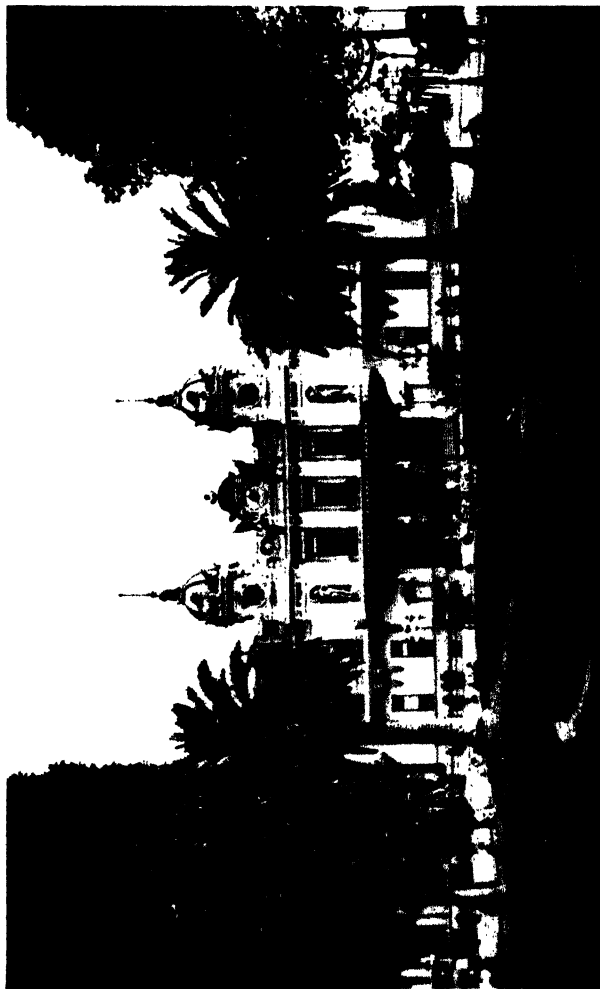
Monaco was naturally affected by the World War, and the inflation of 1923 necessitated the reconstruction of the company. This was carried through by the aid of a loan from the rich Bulgarian Basil Zaharoff, and Blanc's heirs now retired

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from the business. Blanc's son Edmond went to Paris, where he indulged his passion for horses; Camille Blanc, who was managing director for many years, married an actress and lived so extravagantly that he was compelled to resign his post and live upon a small pension from the casino.

Monte Carlo survived the critical post-war years without too much loss, and soon showed profits amounting to hundreds of millions of francs. Huge sums were expended, especially upon developing facilities for sport. Yet Monaco no longer enjoys a monopoly of gambling. It has many competitors in various countries. Public gambling is now permitted on both the French and the Italian Riviera. Near the Italian frontier is the casino at San Remo, where roulette and other games of chance have flourished for some time past.

The serious economic crisis which began at the end of 1931, and has affected the whole world, was naturally felt by the Monaco casino, which, like any similar business, is entirely dependent upon its rich clients. The exchange restrictions imposed by many States have made matters still worse. The number of visitors to the Principality decreased enormously, and in 1931-32, for the first time since its foundation, the company decided not to pay a dividend. Pessimists have predicted the end of Monte Carlo, but it has weathered more than one storm, and will surmount this crisis as it did the



The Casino of Monte Carlo in its Modern Form

YESTERDAY AND TO-DAY

more dangerous ones of 1870-71 and of the World War. With the return of normal economic conditions, which are already in sight, the casino will see the return of its habitués; for love of gambling is one of the fundamental characteristics of human nature and will last as long as the world exists. Moreover, with the moral laxity which has become general since the War, the question of gambling has become less acute. In the spas and resorts of the defeated countries especially, there is a strong feeling in favour of a revival of gambling, with a view to attracting tourists.

Such is the case at Homburg, which has not been very prosperous since 1875. The fear that the spa might be ruined was not at first fulfilled. Numbers of visitors had got into the habit of spending the summer there, for the sake of the charming surroundings and the waters. Thanks to Blanc, Homburg possessed everything necessary for a modern hydropathic establishment, and the funds which had accumulated during the last five years of play enabled everything to be kept in good order. Though Homburg lost its French clientèle, and the great Russian gamblers deserted it for Monte Carlo, it still attracted the English, for King Edward, the arbiter of English fashion, often stayed there as Prince of Wales.

But there was a time when even the English habitués stayed away and the Roman remains failed to attract visitors. In spite of its magnificent

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gardens and other attractions, Homburg was practically deserted, and its inhabitants suffered severely. Then came the World War, with its disastrous effects, and Homburg has now nothing but the memory of former glories. It is hardly surprising that the inhabitants would like to see a revival of the old casino, and to hear once more the monotonous voice of the croupier announcing good or bad fortune.

But it is not enough to sigh for the past. Blanc was a man of action, and the story of Homburg and Monte Carlo proves once again that fortune favours the bold. Blanc succeeded where so many others failed, because he possessed the necessary qualities for carrying out the task he had undertaken; and he well deserved the wealth that came to him so abundantly. Yet we cannot close on a note of success, for this is not the last word to be said about François Blanc's destiny. The tragedy of his life was that, like Goethe's student of magic, the more successful he became, the more he trembled lest he might be unable to control the spirits which he had conjured up.

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